

A WEEK OF SHOCKS TAKES ITS TOLL

Two independent and unrelated events tended to knock the stuffing out of major stock markets in Asia, last Monday.

They were: Texas energy trader, Enron Corporation, filing for the protection of the Court, in accordance with Chapter 11 of the Bankruptcy Laws of the US; and, The Government of Argentina, imposing a moratorium of cash withdrawals in the country.

The Enron Corporation financial failure had the most impact, however, because of its international ramifications, what with its debt burden of more than \$US16.80 billion, and the very real prospects of many of the 7,500 employees of the company, finding themselves unemployed within the next month or so.

Enron, in its Court declaration, said that it had assets with an aggregate value of about \$US49 billion.

Its failure breaks all other records for a bankruptcy in the history of the world.

In Argentina, long known to be having balance-of-payment problems, the Economy Minister, Mr Domingo Cavallo, appealed for calm as a 90-day moratorium was imposed on monthly cash withdrawals, which, now, must not exceed \$US1,000.

The object of the exercise is to stem capital flight from the country, which is burdened with debt service of more than \$US132 billion.

Such international events could hardly go ignored in the most populous part of the world.

In Japan, where the fallout for the above-mentioned events, plus some home-grown ones, too, were most-widely felt; and, stock prices tumbled.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average gave up 236.82 yen, about 3.06 percent, falling to 10,370.62 yen.

The effect on Japanese banks of the Enron failure weighed heavily on the market, mainly because of the unknown, rather than the known.

Banks and finance houses were hit especially hard:

Asahi Bank*	Down 1.03 percent to 96 yen per share
Daiwa Bank*	Down 3.85 percent to 100 yen per share
Mitsui Tokyo Finance	Down 0.59 percent to 838,000 yen per share
Mitsui Trust	Down 5.51 percent to 120 yen per share
Mizuho Holdings	Down 6.13 percent to 291,000 yen per share

Sumitomo Mitsui Trust*	Down 4.93 percent to 637 yen per share
UFJ Holdings#	Down 9.83 percent to 367,000 yen per share
Mizuho Holdings	Down 6.13 percent to 291,000 yen per share

* Among the most active counters of the day

An affiliate of UFJ holds Enron bonds

In the motor section of the market, there was unusually heavy selling pressure, which some analysts could not fathom, other than to maintain that motors were reacting in sympathy to the general tenor.

The major losers in motors included:

Isuzu Motors*	Down 15.38 percent to 77 yen per share
Kawasaki Heavy Industries	Down 2.38 percent to 123 yen per share
Mazda	Down 8.84 percent to 196 yen per share
Mitsubishi Motors	Down 5.49 percent to 224 yen per share
Nissan Motor*	Down 2.14 percent to 595 yen per share
Suzuki Motor	Down 1.98 percent to 1,239 yen per share
Yamaha Motor	Down 1.75 percent to 728 yen per share

* Among the most active counters of the day

While Tokyo is, unquestionably, the most important single stock market in Asia, the stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) come in a fairly close second.

And, on the Main Board of The Stock Exchange of Hongkong Ltd, share prices fell, with the Hang Seng Index, the '*barometer*' of trading in blue chips, giving up 1.10 percent of its value to end the day at 11,155.15 points.

The Total Turnover was about \$HK7.11 billion, with losers, outpacing gainers by the ratio of about 1.14: One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.32 percent to \$HK93.25 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.73 percent to \$HK71.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 2.35 percent to \$HK27.00 per share
Cheung Kong (Holdings) Ltd	Unchanged at \$HK75.50 per share

(Code: 1)

Pacific Century CyberWorks Ltd (Code: 8) Down 3.37 percent to \$HK2.15 per share

Sun Hung Kai Properties Ltd (Code: 16) Up 2.61 percent to \$HK59.00 per share

Hang Seng Bank Ltd (Code: 11) Down 1.18 percent to \$HK83.50 per share

Hongkong Electric Holdings Ltd (Code: 6) Down 0.88 percent to \$HK28.30 per share

China Unicom Ltd (Code: 762) Down 2.25 percent to \$HK8.70 per share

MTR Corporation Ltd (Code: 66) Down 1.49 percent to \$HK9.90 per share

In addition to Enron and Argentina, investors in the HKSAR read disturbing reports from Europe as to grave problems in that part of the world, which happens to be a major trading partner with both the PRC, proper, and the HKSAR, second only to the US.

Two independent surveys indicated that the manufacturing industry in the United Kingdom was continuing to wane, and the service sector of the economy was on the rocks.

Suggestions were being made that further interest rate cuts may be on the cards in order to turn the economy of the most important economy of the European Union (EU).

The biggest movers of the day were: Ocean Shores Group Ltd (Code: 764), up 28.89 percent to \$HK2.90 per share; and, E-LIFE International Ltd (Code: 370), down 18.75 percent to 13 cents per share. (Please see last Wednesday's [TARGET Intelligence Report, Volume III, Number 228](#))

There were a total of 29, double-digit movers, of which number, 20 rose while 9 fell.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index put on a bit of a spurt, rising 0.77 percent to 193.79 points.

It was unconvincing, however, because the Total Turnover stayed low, at about \$HK147.46 million.

Also, there were 12 percent more losers than gainers, with the ratio, being 1.13:One.

The 2, most-active counters were Mr Li Ka Shing's tom.com Ltd (Code: 8001) and Greencool Technology Holdings Ltd (Code: 8056).

tom.com's share price rose about 6.12 percent to \$HK2.60, while Greencool Technology's share price gained 2.16 percent to end the day at \$HK3.55.

Trading in these 2 counters represented about 39 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)
AkuP International Holdings Ltd	8179	10.17		0.325
GP NanoTechnology Group Ltd	8152	12.70		0.71
International Capital Network Holdings Ltd	8004		13.86	0.87
Neolink Cyber Technology (Holdings) Ltd	8116	10.29		0.375

Panda-Recruit Ltd	8073		39.13	0.028
Smartech Digital Manufacturing Holdings Ltd	8068	10.00		0.022

Taiwan's stock market, as the TARGET list below indicates, went on a roller-coaster ride, last Monday, but that was due to optimism, surrounding the ruling Democratic Progressive Party's gains in the Taiwan Parliament over the previous weekend.

The gains had nothing to do with the territory's economy, which is sick ... sick ... sick.

The closing levels of Asia's other stock markets, for last Monday, were:

Indonesia	Plus 0.13 percent to 380.80
Japan	Minus 3.06 percent to 10,370.62
Malaysia	Plus 0.84 percent to 643.35
The Philippines	Minus 2.07 percent to 1,105.06
Singapore	Plus 1.06 percent to 1,494.28
South Korea	Plus 1.05 percent to 650.66
Taiwan	Plus 4.63 percent to 4,646.61
Thailand	Minus 0.14 percent to 302.20

Tuesday

It looked very much as though the tinder box, called the Middle East, had caught fire as Israel waged war on terrorism in the area, following the weekend massacres of some 2 dozen innocent Israelis in Jerusalem and Haifa.

Palestinian leader-elect Yasser Arafat is being held directly responsible, by the Israeli Government, for the unprovoked attacks on Israeli citizens.

Israeli helicopter gunships struck at Gaza City in retaliation of the unprovoked attacks on Israeli citizens, and US President George W. Bush declared that Israel had the right to defend itself, Israel, being a sovereign nation.

On Wall Street, reaction to the violence was swift and definitive.

Investors on The New York Stock Exchange saw about 0.89 percent of the value of the Dow Jones Industrial Average disappear as it fell to 9,763.96 points, which had to be considered a bit of a recovery, considering that The Dow was down to about 9,700 at one point in the trading day.

As for the NASDAQ, its Composite Index gave up 1.33 percent of its value, falling to 1,904.90 points.

The bankruptcy of Enron was hardly a shock because the market had expected that action, but nobody but the killers in Muslims of Palestine had expected the attacks on helpless civilians of Israel.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), other matters blanketed the 416 square miles, last Tuesday.

The richest and kindest man in the entire world, Mr Li Ka Shing, Chairman of all he surveys, made 2 pronouncements: Mr Tung Chee Hwa should be re-elected for another term as Chief Executive of the territory; and, HKSAR property prices had hit near bottom.

TARGET's translation: Vote for Mr Tung Chee Hwa, Mr Li Ka Shing's hero; and, loosen the purse strings and buy up HKSAR property in the name all that is Holy ... and Mr Li The Cash, of course.

And so, up went share prices on The Stock Exchange of Hongkong Ltd.

The Main Board's Hang Seng Index rose 2.44 percent to end last Tuesday's session at 11,427.28 points.

The Total Turnover was about \$HK7.79 billion, with the ratio of gainers to losers, being about 2.12: One.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Up 4.07 percent to \$HK28.10 per share
HSBC Holdings plc (Code: 5)	Up 0.80 percent to \$HK94.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 3.52 percent to \$HK73.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 3.64 percent to \$HK78.25 per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 1.16 percent to \$HK2.17 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 5.08 percent to \$HK62.00 per share
China Unicom Ltd (Code: 762)	Up 2.87 percent to \$HK8.95 per share
Hang Seng Bank Ltd (Code: 11)	Up 2.69 percent to \$HK85.75 per share
Legend Holdings Ltd (Code: 992)	Up 4.44 percent to \$HK3.52 per share
Henderson Land Development Company Ltd (Code: 12)	Up 3.27 percent to \$HK31.60 per share

The double-digit movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723	27.69		0.083
Century Legend (Holdings) Ltd	79	45.95		0.054
Corasia Group Ltd	875		28.05	0.059
Dailywin Group Ltd	897	10.00		0.088
ehealthcareasia Ltd	835		10.00	0.027
Everbest Century Holdings Ltd	578	11.11		0.03
Gemzboh Holdings Ltd	1192	27.14		0.089
Great Wall Cybertech Ltd	689	13.33		0.102
KEL Holdings Ltd	681	10.09		0.12
Kong Sun Holdings Ltd	295	10.26		0.43
MAE Holdings Ltd	851	17.57		0.087
Oriental Resources Group Company Ltd	467	16.08		0.166
Pico Far East Holdings Ltd	752	18.97		0.69
Softbank Investment International (Strategic) Ltd	648	12.50		0.36
TechCap Holdings Ltd	673	10.69		0.145
TPV Technology Ltd	903	16.76		2.125

Tungtex (Holdings) Company Ltd	518	13.29		1.62
United Power Investment Ltd	674	15.79		0.55
Vision Tech International Holdings Ltd	922	26.13		0.14
Wah Tak Fung Holdings Ltd	297	13.04		0.39

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – buying was extraordinarily strong, but it was only in select issues.

Mr Li Ka Shing's tom.com Ltd (Code: 8001) was, once again, the most hotly sought-after counter as its share price shot up 11.54 percent to \$HK2.90.

The dollar value of trading in the shares of this one counter, at about \$HK73.60 million, represented about 34 percent of the Total Turnover of about \$HK216.87 million.

Another GEM blue chip, Mr Rupert Murdoch's Phoenix Satellite Television Holdings Ltd (Code: 8002), came in just behind tom.com with a move up of about 7.61 percent as its share price hit 99 cents, the highest price for the day.

However, only about 26.07 million shares in this television broadcaster were traded, with the value of those trades, being about \$HK25.11 million, or about 11.58 percent of the entire volume of activity for the day.

The Growth Enterprise Index finished the day at 199.49 points, representing a one-day gain of about 2.94 percent.

The ratio of gainers to losers was about 1.22: One.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AkuP International Holdings Ltd	8179	23.08		0.40
Argos Enterprise (Holdings) Ltd	8022	13.64		0.375
Digital Hongkong.com Ltd	8007	13.79		0.33
Intcera High Tech Group	8041	12.96		0.305
STAREASTnet.com Corporation	8010		18.92	0.12
SUNeVision Holdings Ltd	8008	11.43		1.56
tom.com Ltd	8001	11.54		2.90

A weaker yen vis-à-vis the US dollar caused select electronics to rise on The Tokyo Stock Exchange, but concerns about non-performing loans in Japan's biggest banks overshadowed most other concerns on the premier bourse of The Land of The Rising Sun.

The Middle East did not seem to phase Tokyo, at all, but Wall Street's losses and Enron's problems weighed heavily on Japanese investors.

The blue-chip index of The Tokyo Stock Exchange, the Nikkei-225 Stock Average, rose 82.03 yen, 0.79 percent, to end the day at 10,452.65 yen.

The US dollar bought 124.06 yen, representing a one-day improvement of about 0.42 yen.

That was good for Japan's exports, to be sure, but it is inflationary for the country in that it raises costs on imported goods and commodities, on which Japan relies, very heavily.

The banks to suffer the most on last Tuesday's market included:

Asahi Bank*	Down 5.21 percent to 91 yen per share
Daiwa Bank*	Down 8.00 percent to 92 yen per share
Mitsui Tokyo Finance	Down 2.74 percent to 815,000 yen per share
Mizuho Holdings	Down 7.56 percent to 269,000 yen per share #
Sumitomo Mitsui Banking*	Down 7.06 percent to 592 yen per share

This is a record low for the stock

* Among the most active counters of the day

News wise, it was reported by Japan Automobile Dealers Association that November sales of new motor vehicles had fallen about 9.30 percent, Year-on-Year.

Falling sales of motor vehicles represented the third consecutive month of falls for the motor industry of Japan.

Toyota Motor Corporation sold 131,056 vehicles in November, which was an 18-percent decline, Year-on-Year.

Nissan Motor Company unloaded 56,745 vehicles in the same month, off about 1.50 percent, compared with November 2000.

Honda Motor Company reported a 20.20-percent gain, Year-on-Year, to 49,989 vehicles.

For the most part, motors were fractionally lower, following the release of the report.

Whether or not the Middle East will turn out to be another Afghanistan was a major concern of the world, last Tuesday, because, since 1948, it would appear that both Arab and Jew have been unable to come to terms so that they can live in harmony.

On that note, Asia went to bed.

This was how other Asian markets looked:

Indonesia	Minus 0.85 percent to 377.56
Japan	Plus 0.79 percent to 10,452.65
Malaysia	Plus 0.65 percent to 647.51
The Philippines	Minus 0.77 percent to 1,096.55
Singapore	Plus 2.93 percent to 1,538.03
South Korea	Minus 0.12 percent to 649.90
Taiwan	Plus 2.58 percent to 4,766.43
Thailand	Plus 0.53 percent to 303.81

Wednesday

Everybody and his cat had a 'logical' reason for the Asian stock-market rally of last Wednesday.

These reasons ranged from a revival of the semi-conductor industry, to *'the worst is over, internationally'*, to Mr Li Ka Shing proposes, the world disposes, to trying to play catch-up with Wall Street.

Whatever was the true reason, the facts spoke for themselves: Investors in many parts of the world were in a mood to shrug off the depressing *'stuff'* in favour of taking a punt on their favourite counter.

Technically, there was little logic to the rally, but nobody seemed to care about that.

On The New York Stock Exchange, last Tuesday, the blue-chip index, the Dow Jones Industrial Average, gained 129.88 points, about 1.33 percent, to end the session at 9,893.84 points.

The NASDAQ's Composite Index did even better, rising to 1,963.10 points, a one-day gain of about 3.06 percent.

Wall Street's gains came in the wake of some pretty depressing news, as news broke that [Excite@Home](#), the bankrupt, high-speed Internet firm, was to close its doors at the end of February 2002 after many times to get some refinancing.

AT&T confirmed that it had withdrawn from being a suitor of the Internet company.

That means that [Excite@Home](#) will not be able to get its hands on the AT&T proposed purchase price of about \$US355 million.

[Excite@Home](#) was, once, one of the biggest dot.com companies, but it is weighed down with debts of more than \$US1.10 billion.

Termed as being the collapse of a giant, it could turn out to be a very messy situation when it comes time for the pencil pushers to move in and start to sell off all that is sellable.

Merrill Lynch, a stockbrokerage company, listed on The New York Stock Exchange, announced that it had sacked some 78 percent of its Australian Establishment. That amounts to about 70 bodies out of 90 bodies.

Meanwhile, in Palestine, it appeared that an unofficial war had been declared by Israel on its neighbour, following the previous weekend's killing of more than 2 dozen innocent Israeli citizens.

Palestinian leader-elect Yasser Arafat was holed up in Gaza City, his preferred method of travel, his helicopters, having been denied to him due to the fact that Israeli helicopter gunships had destroyed all 3 of the Great Leader's rotary wing craft.

All these negative pieces of news did not seem to worry investors in Asia as every major bourse registered gains, some being outrageously strong gains.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index put on about 2.20 percent, rising to 11,678.44 points on an increased Total Turnover of about \$HK11.50 billion.

Gainers were ahead of losers by the ratio of about 1.50: One.

The gains came in the wake of some pretty very depressing news that hit the market, during the trading day.

Investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) were informed that the Mr Li Ka Shing's Pacific Century CyberWorks Ltd (Code: 8, Main Board, The Stock Exchange of Hongkong Ltd) had sacked 506 of its employees; and, the company had frozen all wages and salaries, indefinitely.

In July, the company had sacked 290 of its workers.

There was a HKSAR Government land auction, last Wednesday, and there was some spirited bidding for some raw land.

But it was difficult to believe that that had been the reason for the gains on the second largest stock market in Asia.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Up 0.89 percent to \$HK28.35 per share
Hutchison Whampoa Ltd (Code: 13)	Up 4.08 percent to \$HK76.50 per share
HSBC Holdings plc (Code: 5)	Up 1.86 percent to \$HK95.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 3.83 percent to \$HK81.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 5.24 percent to \$HK65.25 per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 1.15 percent to \$HK2.20 per share
China Unicom Ltd (Code: 762)	Up 2.79 percent to \$HK9.20 per share
Legend Holdings Ltd (Code: 992)	Up 5.67 percent to \$HK3.72 per share
Henderson Land Development Company Ltd (Code: 12)	Up 6.96 percent to \$HK33.80 per share
New World Development Company Ltd (Code: 17)	Up 8.21 percent to \$HK7.25 per share

The double-digit movers numbered 36 in all, with Wo Kee Hong (Holdings) Ltd (Code: 720), being the biggest gainer, rising to 6.40 cents, up 28 percent on Tuesday's close, while Global Food Culture Group Ltd (Code: 970) was the largest loser, shedding 24.49 percent of its market capitalisation as its share price fell to 7.40 cents.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, bulls continued to dominate the proceedings, leaving the bears, running for cover.

There appeared to be little reason for the changed attitude of investors, but nobody was looking of reasons – only profits.

The Growth Enterprise Index put on about 2.25 percent, rising to 203.98 points on an improved Total Turnover that reached about \$HK328.33 million by the close of the day.

There are quite a number of new listings that are being traded for the first time on this speculative marketplace, these days, so that that was part of the reason for the mild euphoria.

The leading counter, once again, was Mr Li Ka Shing's tom.com Ltd (Code: 8001), whose share price gained 7.76 percent over Tuesday's closing level, to hit \$HK3.13.

About \$HK94.11-million worth of tom.com scrip was traded, during the day, with that volume of activity, equal to nearly 29 percent of the Total Turnover.

There had been no special news from this loser, but Mr Li Ka Shing had told the world that, in his opinion, investors should get stuck into stocks and shares – and, so, up went his companies' share prices.

The ratio of gainers to losers on The GEM was about 1.48: One.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
AkuP International Ltd	8179	11.25		0.445
Beijing Beida Jade Bird Universal Sci-Tech Company Ltd	8095	13.10		1.64
Henderson Cyber Ltd	8023	10.00		0.44
hongkong.com Corporation	8006	11.76		0.38
ITE (Holdings) Ltd	8092	10.00		0.22

In Japan, investors ploughed into their favourite counters, buying rather wildly.

As a result, the Nikkei-225 Stock Average gained 261.16 yen, about 2.50 percent, ending the day at 10,713.81 yen.

There is, today, some consideration being given to using public funds to prop up Japan's ailing banks in the interests of maintaining and securing trust of the banking system.

This was stated by Mr Taku Yamasaki, Secretary General, Liberal Democratic Party, the ruling political party of the day.

Many banks suddenly sprang to life on the statements about public funds, being pumped into 'sick' Japanese banks. But not all of them made gains:

Asahi Bank*	Up 5.49 percent to 96 yen per share
Mizuho Holdings	Up 7.06 percent to 288,000 yen per share
Mitsui Tokyo Finance	Up 1.47 percent to 827,000 yen per share
Sumitomo Mitsui Banking*	Up 3.21 percent to 611 yen per share
Sumitomo Trust*	Down 4.31 percent to 555 yen per share

* Among the most active counters of the day

Aside from banks, the idea that the worst may be behind the world, caused speculation to be centred around hi-tech counters.

With the NASDAQ, roaring ahead, the suggestion was that now might be the time to catch the 'chip' bus before it leaves the terminus.

The biggest gainers in this section of the market included:

Advantest	Up 5.99 percent to 7,960 yen per share
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Canon	Up 6.55 percent to 4,390 yen per share
Fanuc	Up 5.95 percent to 5,880 yen per share
Fuji Electric	Up 6.77 percent to 284 yen per share
Fujitsu*	Up 4.90 percent to 1,048 yen per share
Konica	Up 6.31 percent to 758 yen per share
Kyocera	Up 8.06 percent to 9,650 yen per share
NEC*	Up 5.22 percent to 1,270 yen per share
OKI Electric Industrial	Up 6.67 percent to 432 yen per share
Olympus	Up 4.96 percent to 1,798 yen per share
Pioneer	Up 7.07 percent to 3,180 yen per share
Sanyo Electric*	Up 7.32 percent to 660 yen per share
Sharp	Up 5.08 percent to 1,655 yen per share
Tokyo Electron	Up 8.28 percent to 6,930 yen per share
Toshiba Corporation*	Up 5.24 percent to 522 yen per share

* Among the most active counters of the day

For a change, it appeared that things were on the mend in Asia, but, as **TARGET** has seen, only too often, situations can change in a very big hurry.

This was how other Asian bourses fared, last Wednesday:

Indonesia	Plus 0.10 percent to 377.94
Japan	Plus 2.50 percent to 10,713.81
Malaysia	Plus 0.85 percent to 653.01
The Philippines	Plus 2.32 percent to 1,121.97
Singapore	Plus 3.59 percent to 1,593.19
South Korea	Plus 5.91 percent to 688.31
Taiwan	Plus 3.32 percent to 4,924.56
Thailand	Closed

Thursday

Whether or not select investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) got wind of the HKSAR Government's bombshell, with regard to retail sales, will, probably, never be known, but, regardless, trading on The Stock Exchange of Hongkong Ltd certainly seemed to be influenced by parochial matters – because, internationally, there was little happening.

After The Stock Exchange of Hongkong Ltd closed for the day, it was announced that retail sales for the month of October had slipped 6.10 percent, compared with October 2000.

In September, the fall, Year-on-Year, was about 4.30 percent in value terms.

The HKSAR depends on shoppers from overseas to come to the territory and to spend their dollars – and that just ain't happening, no more, as the Yanks of the South would say.

Well, tourists to the HKSAR are not spending very much money, to be sure, and, with the PRC, proper, just 45 minutes up the line, it would appear that switched-on HKSAR residents will look for the cheapest place to purchase their underwear and what-have-you.

Why not?

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index gained about 0.58 percent, rising to 11,745.84 points.

The Total Turnover scooted much higher, however, hitting about \$HK13.80 billion by the close at 4 pm.

Losers were ahead of gainers by the ratio of about 1.32:One.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Up 1.59 percent to \$HK28.80 per share
HSBC Holdings plc (Code: 5)	Up 1.57 percent to \$HK97.25 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.33 percent to \$HK76.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.54 percent to \$HK82.50 per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 1.14 percent to \$HK2.22 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.68 percent to \$HK63.50 per share
Hongkong Electric Holdings Ltd (Code: 6)	Down 2.29 percent to \$HK27.70 per share
China Unicom Ltd (Code: 762)	Unchanged at \$HK9.20 per share
CLP Holdings Ltd (Code: 2)	Down 1.83 percent to \$HK29.45 per share
Legend Holdings Ltd (Code: 992)	Up 6.04 percent to \$HK3.95 per share

What was clear, with regard to last Thursday's markets of the HKSAR, was that many investors had all but forgotten the hype of Mr Li Ka Shing, his followers and retainers, hype that was said to have influenced trading during the first 3 trading days of the week.

The largest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
Anex International Holdings Ltd	723	10.11		0.098
Asia Satellite Telecommunications Holdings Ltd	1135	11.28		14.30
B-Tech (Holdings) Ltd	412	14.29		0.016
China Development Corporation Ltd	487		10.00	0.045
Chinney Alliance Group Ltd	385		11.76	0.03
Culturecom Holdings Ltd	343	12.50		0.405
Dong Jian Tech.com Holdings Ltd	649		12.50	0.98
E-LIFE International Ltd	370		16.28	0.108
e-New Media Company Ltd	128	20.29		0.415
e2-Capital (Holdings)	378	11.67		0.335
Kwong Hing International Holdings (Bermuda) Ltd	1131	14.29		0.072
Leaptek Ltd	336	11.11		0.40
Magnificent Estates Ltd	201	17.24		0.034
Nanjing Panda Electronic Company Ltd	553	12.07		3.25
Northeast Electrical Transmission and Transformation Machinery Manufacturing Company Ltd	42		16.36	0.46
Pricerite Group Ltd	996		10.53	0.34
Shun Cheong Holdings Ltd	650		10.26	0.35
South China Information and Technology Ltd	175	10.84		0.46
South China Industries	413		12.28	0.25
UDL Holdings Ltd	620	13.33		0.068
Vision Tech International Holdings Ltd	922		15.33	0.068
Wonson International Holdings Ltd	651		12.77	0.041

In the Middle East, killings continued, and the Israeli Government was, clearly, making brownie points with the world's leaders, most of whom were roundly critical of Palestinian leader-elect Yasser Arafat.

On Wall Street, last Wednesday, the stock-market rally continued.

The New York Stock Exchange watched as its blue-chip index, the Dow Jones Industrial Average, gained 220.45 points, or about 2.23 percent, ending the session at 10,114.29 points.

Chartists were pointing the fact that The Dow was above the 10,000 level and that, from their point of view, that means that the market has, definitely, reversed its course.

Oh, yes?

On the NASDAQ, its Composite Index shot up 83.74 points to hit 2,046.84 points, a one-day improvement of about 4.27 percent.

Again chartists: *'Well, the Composite Index has broken through the 2,000 level, hasn't it?'*

Oh, yes?

And here comes Christmas with that famous, very fat, white-bearded celebrity, carrying lovely presents for every good little girl and boy.

But investors on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd were not listening to the Wall Street jargon: Down came The Growth Enterprise Index by 1.24 percent to end the day at

201.45 points.

The Total Turnover of The GEM was about \$HK536.90 million, with trading in the shares of Greencool Technology Holdings Ltd (Code: 8056), being responsible for 41.64 percent of that figure.

After about 79.43 shares of the Issued Share Capital of Greencool Technology had changed hands, the share price had fallen about 19.15 percent to \$HK2.85.

Mr Li Ka Shing's tom.com Ltd (Code: 8001), also, fared badly as its share price fell about 0.80 percent to \$HK3.10 on a turnover of about \$HK100.44 million.

Between these 2 leading counters, investors gambled about \$HK324 million, representing about 60 percent of the entire volume of activity of the day.

The ratio of losers to gainers was about 1.56: One.

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CyberM International (Holdings) Ltd	8017	20.00		0.30
Fortune Telecom Holdings Ltd	8040		12.50	0.35
Greencool Technology Holdings Ltd	8056		19.15	2.85
Proactive Technology Holdings Ltd	8089		18.75	0.26
ProSticks International Holdings Ltd	8055		12.50	0.28

In Japan, buying of hi-tech stocks was everything, as investors continued to follow Wall Street for direction.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average gained 143.47 yen, rising to 10,857.28 yen, a one-day improvement of about 1.34 percent.

The Japanese stock markets appear to be defying logic, considering the poor state of the world's second-largest economy.

The US dollar vis-à-vis the Japanese yen continued to harden, rising to 124.76 yen, a gain of about 0.64 yen in one day.

But not all electronics made the grade, last Thursday, since trading in hi-tech counters was very selective as the following **TARGET** list illustrates:

Advantest	Up 8.29 percent to 8,620 yen per share
Fanuc	Up 10.20 percent to 6,480 yen per share
Fuji Electric	Up 4.23 percent to 296 yen per share
Fujita Corporation	Down 24 percent to 19 yen per share
Fujitsu*	Up 2.00 percent to 1,069 yen per share
Furukawa Electric	Up 4.74 percent to 10,519 yen per share

Mitsubishi Electric*	Up 5.70 percent to 556 yen per share
NEC*	Up 7.48 percent to 1,365 yen per share
Nikon	Up 8.93 percent to 1,244 yen per share
OKI Electric Industrial	Up 4.86 percent to 453 yen per share
Pioneer	Down 4.40 percent to 3,040 yen per share
Rohm	Up 3.84 percent to 18,110 yen per share
Sanyo Electric*	Up 4.39 percent to 689 yen per share
Sony	Up 4.03 percent to 6,200 yen per share
TDK	Up 8.23 percent to 6,710 yen per share
Tokyo Electron	Up 8.37 percent to 7,510 yen per share
Toshiba Corporation*	Up 5.17 percent to 549 yen per share

* Among the most active counters of the day

There was no special news from Japan, last Thursday.

This was how bourses in the most populous area of the world ended the fourth day of the week:

Indonesia	Plus 0.37 percent to 379.36
Japan	Plus 1.34 percent to 10,857.28
Malaysia	Plus 0.52 percent to 656.38
The Philippines	Plus 1.01 percent to 1,133.34
Singapore	Plus 1.56 percent to 1,618.12
South Korea	Minus 0.25 percent to 686.61
Taiwan	Plus 5.77 percent to 5,208.86
Thailand	Plus 0.47 percent to 305.25

Friday

While the Main Board's Hang Seng Index, the gauge to trading in blue chips on The Stock Exchange of Hongkong Ltd, registered a fractional gain, last Friday, the number of losing counters exceeded the gaining counters by the slim margin of about 1.02: One.

However, more than half of the total number of counters, listed on the larger bourse of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), were left unattended by investors,

for the main part of the day, and just managed to hold onto Thursday's closing share-price levels.

The market was very selective, to be sure.

The Hang Seng Index ended the week at 11,832.18 points, which represented a gain of about 0.74 percent, compared with Thursday's close.

There was just nothing to stimulate the market, and even the bullish utterances of the Great Man, Mr Li Ka Shing, were, clearly, not influencing investors, any further.

To put it simply, the market had run out of steam.

The Ten Most Actives of the day were:

HSBC Holdings plc (Code: 5)	Up 1.29 percent to \$HK98.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.17 percent to \$HK28.85 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK76.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.30 percent to \$HK82.25 per share
CNOOC Ltd (Code: 883)	Down 3.38 percent to \$HK7.15 per share
Legend Holdings Ltd (Code: 992)	Down 3.80 percent to \$HK3.80 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 3.54 percent to \$HK65.75 per share
China Unicom Ltd (Code: 762)	Down 1.63 percent to \$HK9.05 per share
Henderson Land Development Company Ltd (Code: 12)	Up 1.51 percent to \$HK33.70 per share
Hongkong Electric Holdings Ltd (Code: 6)	Up 0.54 percent to \$HK27.85 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Alpha General (Holdings) Ltd	73	11.11		0.04
Asia Standard Hotel Group Ltd	292	13.33		0.255
Capital Automation Holdings Ltd	493		16.42	0.28
Capital Strategic Investment Ltd	497	14.05		0.211
Chevalier Construction Holdings Ltd	579	33.33		0.16
China Development Corporation Ltd	487	11.11		0.05
Far East Technology International Ltd	36	12.00		0.224
GeoMaxima (Hongkong) Holdings Ltd	702	11.83		1.04
Global Bio-chem Technology Group Company Ltd	809		10.09	2.45
Graneagle Holdings Ltd	147	46.67		0.44
Hudson Holdings Ltd	758		10.45	0.60
Joyce Boutique Holdings Ltd	647	23.08		0.16
KTP Holdings Ltd	645	12.73		0.62

Next Media Ltd	282	20.91		1.33
Oriental Explorer Holdings Ltd	430	10.17		0.065
Oriental Press Group Ltd	18	10.53		1.05
OSK Asia Corporation Ltd	555		11.67	0.265
renren Holdings Ltd	59	25.00		0.015
Seapower Resources International Ltd	269		13.79	0.025
Shun Cheong Holdings Ltd	650		14.29	0.30
Sinocan Holdings Ltd	1095	16.67		0.07
SmarTone Telecommunications Holdings Ltd	315	12.28		9.60
Starlight International Holdings Ltd	485		10.45	0.06
vLink Global Ltd	563	12.50		0.018
Wing Lee Holdings Ltd	876	10.67		0.83
Yanion International Holdings Ltd	82	12.20		0.92

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, there was a great deal of talk in respect of Greencool Technology Holdings Ltd (Code: 8056).

The share price of Greencool Technology lost another 10.53 percent of its market capitalisation, falling back to \$HK2.55 per share after investors dumped about 44.76 million shares onto the market.

Last Friday's losses followed on from Thursday's drubbing when the share price was shot down by about 19.15 percent.

Since the beginning of the week, this company's market capitalisation had fallen a full 30 percent.

The reason for the falls of last Thursday and Friday was that, in the PRC, proper, where Greencool Technology operates, exclusively, a report in the PRC magazine, named Caijing, made some rather startling allegations about the company's refrigerant products.

Greencool Technology's spokesman hit back, claiming that the company would take action against Caijing.

Stand by for a libel Action?

Trading in this one counter accounted for nearly 34 percent of the Total Turnover of about \$HK354.85 million.

The Growth Enterprise Index was forced to give up about 0.24 percent of its value, falling to 200.97 points, primarily due to the large losses in the share price of Greencool Technology.

The ratio of losers to gainers was about 1.46: One.

By and large, share prices were held to small gains or losses, with the exception of the following double-digit movers:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025	21.95		0.10
Argos Enterprise (Holdings) Ltd	8022		10.67	0.335
Eco-Tek Holdings Ltd	8169	22.22		0.66
First Mobile Group Holdings Ltd	8110	25.93		0.68
Fortune Telecom Holdings Ltd	8040	14.29		0.40
Greencool Technology Holdings Ltd	8056		10.53	2.55
Info Communications Holdings Ltd	8082		18.31	0.29
Intcera High Tech Group Ltd	8041	25.81		0.39
Systek Information Technology (Holdings) Ltd	8103		16.98	0.088

The lacklustre performances of the stock markets of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) mirrored what had transpired on the world's largest stock market: The

New York Stock Exchange.

There, the Dow Jones Industrial Average fell 15.91 points to 10,098.38 points, a loss of about 0.16 percent on Wednesday's close.

On the NASDAQ, it was a similar story, but in the opposite direction.

The Composite Index gained about 0.34 percent, rising to 2,053.83 points.

The 2 markets were under the gun of major US retailers, most of whom were reporting negative, or neutral, sales for the month of November.

The very strong suggestion was that there would be no Christmas joy, too.

In Japan, the premier market was hit by another bombshell: Aoki Corporation threw in the towel and declared that it was unable to continue to trade.

Aoki is a major Japanese construction company and its management told the world that it had Consolidated Liabilities of more than 522 billion yen.

Investors, invested in The Tokyo Stock Exchange, were taken aback by the events of last Friday.

The blue-chip Nikkei-225 Stock Average fell 60.39 yen to end the week at 10,796.89 yen, a one-day loss of about 0.56 percent.

Most of the losses came in the afternoon session, following the official announcement from Aoki.

Banks took it on the chin because, clearly, a lot of worms were continuing to crawl out from under the woodwork of Japanese industry.

The banks to lose included:

Asahi Bank*	Down 1.09 percent to 91 yen per share
Mitsui Tokyo Finance	Down 3.13 percent to 804,000 yen per share
Mizuho Holdings	Down 6.12 percent to 276,000 yen per share
Sumitomo Mitsui Bank*	Down 2.13 percent to 596 yen per share
Sumitomo Trust	Down 3.39 percent to 570 yen per share

* Among the most active counters of the day

But the demise of Aoki was not the only major shock to The Land of The Rising Sun, last Friday, because Japanese Government data indicated even more deterioration in the country's economy.

The world's second largest economy continued to shrink between July and September, heralding official recession.

Now, it is official: The US, Japan and Germany are in the midst of, or are on the verge of entering, recession.

These are the 3 largest economies of the world, in the above order.

Japan's **Gross Domestic Product (GDP)** retracted by about 0.50 percent in the July to September quarter, compared with the previous quarter when the economy shrank by about 1.20 percent.

The Japanese Government's announcement came after the 3 Japanese stock markets had closed for the week so that the full effects of the latest economic data will be more fully felt this week when stock prices should adjust, accordingly.

And this was how other stock markets ended the week in the most populace area of the world:

Indonesia	Minus 0.57 percent to 377.21
Japan	Minus 0.56 percent to 10,796.89
Malaysia	Plus 0.78 percent to 661.52
The Philippines	Minus 0.28 percent to 1m130.20
Singapore	Plus 0.66 percent to 1,628.80
South Korea	Plus 2.61 percent to 704.50
Taiwan	Plus 2.40 percent to 5,333.93
Thailand	Minus 0.39 percent to 304.05

NOTICE TO SUBSCRIBERS

This will be the last, stock-market review for 2001.

Your next review will be published on January 7, 2002.

Traditionally, **TARGET**'s editorial staff takes the Christmas holiday period to catch up on a little sleep, giving our analysts and economists, a well-earned rest.

The Management of The **TARGET** Group wishes all subscribers and friends:

Merry Christmas and a Happy New Year

-- E N D --

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