

DR ALAN GREENSPAN TAKES THE FLOOR – AGAIN

With Monday, January 21, being Martin Luther King Day in the US, Asia determined to wait in order to see what would happen on the largest stock market in the world when it opened for business, the following day.

The previous Friday, January 18, was a bad day for Wall Street as investors continued to sell stocks and shares – in large chunks.

On The New York Stock Exchange, the blue-chip, Dow Jones Industrial Average lost 78.19 points to close at 9,771.85 points, a one-day loss of about 0.79 percent.

On the tech-laden NASDAQ, however, it was another story as its Composite Index shed about 2.79 percent, falling back to 1,930.35 points.

What would happen on Tuesday, January 22, in New York, was the big question, being posed by Asian investors.

In an atmosphere of uncertainty, many investors in the most populous area of the world decided just to sit on their hands, last Monday.

On The Stock Exchange of Hongkong Ltd, the pace of trading on both the Main Board and The Growth Enterprise Market (The GEM) was an indication of the lacklustre demeanor of Asia, in general.

Investors in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) are suffering some of the worst times in the past 4 decades and, as a result, there is a great deal of concern in business circles about a number of matters, notwithstanding politics, of course.

The Main Board's Hang Seng Index gained about 0.25 percent, ending the day at 11,000.25, which was just 27.29 points higher than the previous Friday's closing level.

The Total Turnover, however, fell back to about \$HK4.83 billion, as declining issues outran advancing one by the ratio of 1.62:One.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Down 1.24 percent to \$HK23.80 per share
HSBC Holdings plc (Code: 5)	Down 0.28 percent to \$HK87.75 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.71 percent to \$HK74.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.30 percent to \$HK77.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.35 percent to \$HK65.25 per share

China Unicom Ltd (Code: 762)	Down 1.26 percent to \$HK7.85 per share
Pacific Century CyberWorks Ltd (Code: 8)	Down 1.16 percent to \$HK2.12 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.57 percent to \$HK86.50 per share
Cathay Pacific Airways Ltd (Code: 293)	Up 2.33 percent to \$HK11.00 per share
CNOOC Ltd (Code: 883)	Up 1.92 percent to \$HK7.95 per share

The largest movers on Main Board of The Stock Exchange of Hongkong Ltd, last Monday, included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ABC Communications (Holdings) Ltd	30	14.29		0.24
Global Food Culture Group Ltd	970	14.44		0.103
Great Wall Cybertech Ltd	689	21.05		0.023
Hua Lien International (Holding) Company Ltd	969		14.71	0.58
Keck Sang Investments (Hongkong) Ltd	184		13.85	0.56
KTP Holdings Ltd	645	23.08		0.48
Oxford Properties and Finance Ltd	220	13.38		16.10
Pricerite Group Ltd	996	18.18		0.26
Simsen International Corporation Ltd	993		10.71	0.025
Skynet (International Group) Holdings Ltd	577	11.76		0.019
Star Bio-Tech (Holdings) Ltd	1051	17.82		0.119
Tungtex (Holdings) Company Ltd	518	10.06		1.75
Yip's Chemical Holdings Ltd	408	18.97		0.69

On the news front, the Chief Executive of Bank of China (Hongkong) Ltd, Mr Liu Jin Bao, said that in spite of the banking conglomerate, having been found wanting in the US for misconduct, the PRC bank intended to continue with its plans to list on The Stock Exchange of Hongkong Ltd.

Bank of China wants to raise between \$US4 billion and \$US5 billion, this year, in a Global Offering in New York as well as the HKSAR.

The US Office of the Comptroller of the Currency (OCC) said, the previous Friday, January 18, that it would impose a fine of \$US10 million on the bank for misconduct on the part of its previous management.

The fine was among the largest in the history of the OCC and was an indication of the gravity of the misconduct, the misconduct, having been carried out over an 8-year period, between 1991 and 1999.

On The GEM, The Growth Enterprise Index retreated about 1.24 percent, ending the day at 206.97 points.

The Total Turnover on this speculative marketplace fell to about \$HK218.64 million, with losing counters ahead of gaining ones by the ratio of about 2.82:One.

Medical China Ltd (Code: 8186) was the most-active counter of the day and tacked on 3.33 percent to its share price, rising to 93 cents per share.

Mr Li Ka Shing's tom.com Ltd (Code: 8001) was relegated to third place on The Most Actives as investors knocked down its share price to \$HK3.78 percent, a one-day, share-price erosion of about 2.58 percent.

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CASH Financial Services Group Ltd	8122		15.63	0.054
E-silkroad Holdings Ltd	8071		17.39	0.038
International Capital Network Holdings Ltd	8004	12.36		0.50
Rojam Entertainment Holdings Ltd	8075	11.76		0.19
WLS Holdings Ltd	8021		31.15	0.42

'Flat' was the only way to describe trading on Asia's largest stock market, as Japanese investors tended to stay away from their 3 stock markets, by and large.

On The Tokyo Stock Exchange, the blue-chip gauge, The Nikkei-225 Stock Average, gave up 13.07 yen, or about 0.13 percent, falling to 10,280.25 yen.

The ratio of losers to gainers was about 2.60:One, however, which is quite high for such a dead market.

Banking counters came in for a bit of a drubbing due to disappointment over the Japanese Government's non-definitive stance on the banking industry.

The 4 biggest banks took it on the nose:

UFJ Holdings	Down 5.00 percent to 283,000 yen per share
Sumitomo Mitsui Banking	Down 3.80 percent to 534 yen per share
Mitsubishi Tokyo Financial	Down 3.20 percent to 830,000 yen per share
Mizuho Holdings	Down 2.70 percent to 284,000 yen per share

Late last Monday, a private research company in Japan released its figures of companies/entities, which went belly up in 2001.

The figure of 20,841 companies/entities was this company's findings, which, provided that there are no mistakes, means that 2001 was the worst year in previous 17 years.

In other parts of Asia, it was a mixed bag as the following TARGET table indicates:

Indonesia	Minus 0.06 percent to 425.15
Japan	Minus 0.13 percent to 10,280.25
Malaysia	Minus 0.37 percent to 695.94
The Philippines	Plus 2.64 percent to 1,290.63
Singapore	Plus 0.56 percent to 1,671.51
South Korea	Plus 1.25 percent to 717.35
Taiwan	Plus 4.98 percent to 5,798.05
Thailand	Minus 0.72 percent to 315.22

Tuesday

The Hang Seng Index, the *'barometer'* of trading in blue chips on the Main Board of The Stock Exchange of Hongkong Ltd, shed about 1.84 percent of its value, last Tuesday, as losing counters routed gaining ones by the ratio of about 2.08:One.

With no Wall Street to guide the pace and direction of trading, investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) preferred to take few chances, staying away from any, or little, speculative activity on the 2 stock markets of the HKSAR.

As at the close of trading, last Tuesday, the Hang Seng Index was hovering at a 3-month low.

All but one of The Ten Most Actives lost substantial ground:

China Mobile (Hongkong) Ltd (Code: 941)	Down 5.04 percent to \$HK22.60 per share
HSBC Holdings plc (Code: 5)	Down 1.14 percent to \$HK86.75 per share
Hutchison Whampoa Ltd (Code: 13)	Down 2.35 percent to \$HK72.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 2.25 percent to \$HK76.00 per share
China Unicom Ltd (Code: 762)	Down 3.18 percent to \$HK7.60 per share
Pacific Century CyberWorks Ltd (Code: 8)	Down 2.35 percent to \$HK2.07 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.30 percent to \$HK63.75 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK86.50 per share
Beijing Datang Power Generation Company Ltd (Code: 991)	Down 3.51 percent to \$HK2.75 per share
CITIC Pacific Ltd (183)	Down 2.33 percent to \$HK14.65 per share

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Sci-Tech Holdings Ltd	985		10.17	0.053
Global Food Culture Group Ltd	970		14.56	0.088
Hai Xia Holdings Ltd	384	11.11		0.50
Heng Fung Holdings Ltd	185	12.99		0.087
Hua Lien International (Holding) Company Ltd	969		13.79	0.50
Jackley Holdings Ltd	353	10.00		0.55
Lam Soon Food Industries Ltd	728		10.87	2.05
Simsen International Corporation Ltd	993		12.00	0.022
Singamas Container Holdings Ltd	716	12.24		0.55
Skynet (International Group) Holdings Ltd	577		15.79	0.016
Starlight International Holdings Ltd	485	13.79		0.066
Theme International Holdings Ltd	990	16.22		0.086
Victory City International Holdings Ltd	539	17.31		0.61
Welback Holdings Ltd	491	11.22		0.61
Yew Sang Hong (Holdings) Ltd	290		11.59	1.22

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

The Growth Enterprise Index gave up about 0.94 percent of its value, falling back to 205.03 points, while the Total Turnover dropped back to about \$HK214.06 million.

The ratio of losers to gainers was a resounding 2.88:One, with about 65 percent of all the counters traded, holding onto previous closing levels.

All of last Tuesday's losses came in the 90-minute afternoon session.

The double-digit movers all lost substantial ground:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		16.67	0.25
Angels Transportation Technology Company Ltd	8112		10.24	1.14
CASH Financial Services Group Ltd	8122		14.81	0.046
E-silkroad Holdings Ltd	8071		10.53	0.034
Glory Mark Hi-Tech (Holdings) Ltd	8159		10.53	0.425
Trasy Gold EX Ltd	8063		16.00	0.021

Dragging down sentiment on this market was an announcement from MediaNation Incorporated (Code: 8160) to the effect that its attempts to raise money from the marketplace had been an abject failure, considering the company's Prospectus ambitions.

(Please see last Wednesday's [TARGET Intelligence Financial Service, Volume IV Number 16](#))

In Japan, it was another black day for investors in The Land of The Rising Sun.

The Tokyo Stock Exchange saw investors mark down the Nikkei-225 Stock Average to 10,050.98 yen, a one-day loss of about 229.27 yen, equivalent to about 2.23 percent.

Motors and electronics were hit especially hard as the following TARGET table illustrates:

Electronics

Advantest	Down 3.50 percent to 6,890 yen per share
Canon	Down 3.45 percent to 4,200 yen per share
Casio	Down 3.56 percent to 488 yen per share
Fujitsu	Down 2.24 percent to 917 yen per share
Hitachi*	Down 2.24 percent to 874 yen per share
Konica	Down 5.66 percent to 734 yen per share
Kyocera	Down 2.45 percent to 7,950 yen per share
NEC	Down 2.20 percent to 1,200 yen per share

Nikon	Down 2.33 percent to 963 yen per share
OKI Electrical Industrial	Down 4.81 percent to 356 yen per share
Pioneer	Down 3.49 percent to 3,040 yen per share
Ricoh	Down 3.33 percent to 2,180 yen per share
Rohm	Down 2.76 percent to 16,540 yen per share
Sanyo Electric*	Down 4.50 percent to 552 yen per share
Sharp*	Down 6.00 percent to 1,347 yen per share
Tokyo Electron	Down 3.66 percent to 6,310 yen per share
Toshiba Corporation*	Down 2.65 percent to 441 yen per share

* Among the most active counters of the day

Motors

Daihatsu Motor	Down 2.89 percent to 471 yen per share
Hino Motors	Down 3.71 percent to 337 yen per share
Honda	Down 0.77 percent to 5,160 yen per share
Isuzu Motors	Down 5.13 percent to 74 yen per share
Kawasaki Heavy Industries	Down 4.10 percent to 117 yen per share
Mazda	Up 2.51 percent to 245 yen per share
Mitsubishi Motors	Down 5.95 percent to 237 yen per share
Nissan Motor*	Down 2.81 percent 727 yen per share
Suzuki Motor	Down 0.88 percent to 1,472 yen per share
Toyota Motor	Down 1.99 percent to 3,450 yen per share
Yamaha Motor	Down 1.74 percent to 846 yen per share

* Among the most active counters of the day

Ironically, the losses in motors and electronics were on the back of a steadily weakening yen, vis-à-vis the US dollar, the exchange rate of which fell to 133.81 yen, a 3-year low.

The Tokyo Stock Exchange's Nikkei-225 Stock Average had been flirting with the 10,000 barrier for some time, and it looked as though it would crash through that level in short order, last Tuesday.

After all, there is little to support the largest stock market in Asia and the second largest economy in the world.

Still to come, of course, is the full extent of the problems in respect of Japanese banks and their non-performing and problematic loan portfolios.

It seemed obvious that banding together was not assisting Japanese banks in staving off bankruptcies, which appeared to be re-appearing with increasing frequency.

The Semiconductor Equipment Association of Japan made an announcement that its research points to world-wide sales of Japanese-produced, semiconductor manufacturing equipment falling another 53.90 percent, Year-on-Year.

Japan is up the creek without a paddle as the saying goes.

Here is how things ended last Tuesday night in other parts of Asia:

Indonesia	Plus 0.54 percent to 428.47
Japan	Minus 2.23 percent to 10,050.98
Malaysia	Minus 0.82 percent to 690.23
The Philippines	Minus 0.99 percent to 1,277.91
Singapore	Minus 0.50 percent to 1,663.18
South Korea	Plus 0.98 percent to 724.36
Taiwan	Plus 0.10 percent to 5,804.10
Thailand	Plus 0.70 percent to 316.58

Wednesday

The shock waves from the bankruptcy petition of US retailer, Kmart Corporation, were felt round the world, last Wednesday, because the ramifications of the financial failure are mind-boggling.

Asia is (was?) a major supplier of goods, garments and gift items to Kmart, and the question was whether or not, in view of what had transpired on Tuesday, New York time, suppliers in Asia should continue to ship goods for which they had confirmed orders.

Further, in respect of those shipments that were on the water, would Asia get the money, due from Kmart?

Kmart's failure is far-reaching since it is one of the 3 largest retailers of its kind, the other 2 retailers, being Wal-mart Stores Incorporated and Target Stores Incorporated.

According to The Trade Development Council, a branch of the Government of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the HKSAR sold to the US, clothing, footwear, appliances, toys and games, sporting goods, leather goods, handbags, stationary, furniture and gift items, totalling about \$US37 million in 2000, and \$US31.90 billion for the first 11 months of 2001, ended November 30.

On The Stock Exchange of Hongkong Ltd, the news was greeted with dismay and grave concern, but investors did not know, or appreciate, the full extent of the failure of this retailer, which is said to have more than 21,000 stores, spread across the US.

The Main Board's Hang Seng Index hardly moved the entire day, ending the session at 10,762.14 points, which is off exactly one third of a percentage point, compared with Tuesday's close.

The Total Turnover dropped back to about \$HK5.13 billion, however, with losers, ahead of gainers by the ratio of about 1.17:One.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Down 2.21 percent to \$HK22.10 per share
HSBC Holdings plc (Code: 5)	Up 0.58 percent to \$HK87.25 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK72.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.66 percent to \$HK75.50 per share
China Unicom Ltd (Code: 762)	Down 0.66 percent to \$HK7.55 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.78 percent to \$HK63.25 per share
Henderson Land Development Company Ltd (Code: 12)	Down 2.85 percent to \$HK34.10 per share
Pacific Century CyberWorks Ltd (Code: 8)	Down 1.20 percent to \$HK2.05 per share
Cathay Pacific Airways Ltd (Code: 293)	Down 0.48 percent to \$HK10.90 per share
Beijing Datang Power Generation Company Ltd (Code: 991)	Down 3.64 percent to \$HK2.65 per share

Although the Kmart declaration of insolvency was shocking enough, investors of the HKSAR were, also, concerned as to what the Chairman of the US Federal Reserve Board would say on Thursday, Washington time, when Dr Alan Greenspan would address the US Senate on the state of the US economy.

There was, also, the US Federal Open Market Committee Meeting, scheduled for the following week, with which investors, worldwide, had to contend.

Too many imponderables and nothing definitive is a formula for stagnation

The biggest movers on The Stock Exchange of Hongkong Ltd, last Wednesday, were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139 Holdings Ltd	139	11.54		0.029
China Apollo Holdings Ltd	512	16.92		0.235
Companion Building Material International Holdings Ltd	1188		12.50	0.026
Fairyoung Holdings Ltd	231		21.79	0.061
Global Tech (Holdings) Ltd	143		21.43	0.385
Guangzhou Shipyard International Company Ltd	317	10.00		0.99
Heng Tai Consumables Group Ltd	197		11.11	0.36

Hua Lien International (Holding) Company Ltd	969	10.00		0.55
Kwong Hing International Holdings (Bermuda) Ltd	1131	13.64		0.05
Medtech Group Company Ltd	1031	13.04		0.026
MUI Hongkong Ltd	542	22.22		0.088
Ngai Hing Hong Company Ltd	1047		15.36	0.237
Silvernet Group Ltd	622		10.48	0.094
Sky Hawk Computer Group Holdings Ltd	1129		14.15	0.455
South Sea Holding Company Ltd	680		15.00	0.034

On the first day of trading on the world's largest stock market, last week, The New York Stock Exchange was stunned by the Kmart announcement, however it was but one of many shocks for that market.

It was, also, announced that AOL Time Warner had sued Microsoft for alleged damage to its Netscape Internet browser, brought about by acts, which are allegedly deemed contrary to antitrust laws of the US.

Microsoft's share price lost \$US1.64, about 2.50 percent, falling to \$HK64.46 on the NASDAQ, while AOL Time Warner shed about 4 percent of its market value on The New York Stock Exchange, dropping back to \$US28.40 per share.

The blue-chip, Dow Jones Industrial Average had to surrender 58.05 points, equivalent to about 0.59 percent, ending the session at 9,713.80 points.

Motorola, the world's second largest producer of mobile telephones, announced its fourth quarter of consecutive losses.

The giant conglomerate announced a loss of about \$US1.20 billion; Management stated that last year was the first year in 71 years that the company had not made a profit.

A little respite came from Amazon.com, which posted its first-ever quarterly profit, due to Christmas Internet sales.

The struggling Internet retailer announced a 15-percent rise in sales, Quarter-on-Quarter, and a fourth quarter net profit of about \$US5 million.

Since it went public in 1997, Amazon.com has lost about \$US3 billion of shareholders' funds.

It has a long way to go to convince many investors that it is, in the Australian lingo, a goer.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, trading was very quiet and very dull.

The Growth Enterprise Index lost about one half of a percentage point, falling to 204.01 points.

The Index looked set to breach the 200-level, once again.

The Total Turnover dropped back to about \$HK154.51 million, with the ratio of losers to gainers, being about 1.74:One.

The biggest movers were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Codebank Ltd	8162		13.46	0.135
Glory Mark Hi-Tech (Holdings) Ltd	8159		15.29	0.36
Grandmass Enterprise Solution Ltd	8108		11.29	0.055

In Tokyo, Japan, the failure of Kmart was the talk of the town.

Because a number of Japanese banks are exposed to Kmart in respect of credit lines, afforded to the retailer.

The 2 banks that may have to bite the proverbial bullet are Mizuho Holdings Incorporated and Sumitomo Mitsui Banking Corporation, which are owed \$US35 million and \$US37 million by Kmart, respectively, it was disclosed.

On the premier stock market of Japan, The Tokyo Stock Exchange, it appeared that investors were shocked by the Kmart announcement, resulting in the Nikkei-225 Stock Average, falling just 10.07 yen, to 10,040.91 yen.

Banks were under pressure, but it was Snow Brand Milk Products that was the largest loser as its share price shed about 22 percent to 175 yen.

This company has been relatively quiet since the scandal of the summer of 2000 when it was announced that some of the company's products had caused massive food poisoning.

Last Wednesday, the company was hit by another scandal when it was confirmed that the company had imported Australian beef, repacked it as domestically produced beef, in an attempt to obtain Japanese Government subsidies.

That was not all, however, because Nomura Holdings Incorporated, one of the largest brokerage houses in Japan, announced that its net profits had dived about 79 percent in the April to December 2001 period, compared with the like 2000 period.

However, the giant brokerage company still managed to score a plus 28.60 billion-yen profit for the period.

Nomura's share price lost 2.13 percent on the announcement, falling to 1,519 yen.

And, in other Asian bourses, this was the situation, last Wednesday night:

Indonesia	Plus 1.28 percent to 433.97
Japan	Minus 0.10 percent to 10,040.91
Malaysia	Minus 0.24 percent to 688.56
The Philippines	Plus 3.09 percent to 1,317.39
Singapore	Plus 0.19 percent to 1,666.36
South Korea	Plus 2.52 percent to 742.62
Taiwan	Minus 0.59 percent to 5,769.78
Thailand	Plus 2.89 percent to 326.44

Thursday

Trading was slow on The Stock Exchange of Hongkong Ltd, on both the Main Board and The Growth Enterprise Market (The GEM), for a number of very valid reasons, those reasons of a parochial nature and an international nature.

The Main Board's Hang Seng Index moved down just 0.19 percent to 10,741.46 points, while the Total Turnover was about \$HK5.71 billion.

The Index would have been down further had it not been for a late bout of short-covering.

The ratio of losers to gainers widened to 1.80:One, with about 56 percent of all counters that were traded, hanging onto previous closing levels.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Unchanged at \$HK22.10 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.34 percent to \$HK72.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.66 percent to \$HK75.00 per share
HSBC Holdings plc (Code: 5)	Down 0.29 percent to \$HK87.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.79 percent to \$HK62.75 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.58 percent to \$HK86.25 per share
Henderson Land Development Company Ltd (Code: 12)	Down 2.05 percent to \$HK33.40 per share
China Unicom Ltd (Code: 762)	Up 0.66 percent to \$HK7.60 per share
CLP Holdings Ltd (Code: 2)	Down 0.33 percent to \$HK30.00 per share
Pacific Century CyberWorks Ltd (Code: 8)	Down 1.22 percent to \$HK2.02 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Ananda Wing On Travel (Holdings) Ltd	1189		10.53	0.034
China Rich Holdings Ltd	1191		12.28	0.25
Dah Hwa International (Holdings) Ltd	600	10.87		0.102
Dransfield Holdings Ltd	632	127.50		0.091
Emperor (China Venture) Investment Ltd	296		10.34	0.026
Fairyoung Holdings Ltd	231		73.77	0.016
Global China Technology Group Ltd	1105	10.00		0.33
Hua Lien International (Holding) Company Ltd	969	16.36		0.64
i100 Holdings Ltd	616		10.14	0.31
Karce Thomson Holdings Ltd	7		14.13	0.79
Leaptek Ltd	336		15.79	0.08
Luoyang Glass Company Ltd	1108		11.76	0.90
Metech Group Company Ltd	1031		11.54	0.023
Northeast Electrical Transmission and Transformation Machinery Manufacturing Company Ltd	42		25.85	0.241
Simsen International Corporation Ltd	993		17.39	0.019
Sino InfoTech Holdings Ltd	205		10.49	0.145
Sky Hawk Computer Group Holdings Ltd	1129		14.29	0.39
South Sea Holding Company Ltd	680		11.76	0.03
Victory City International Holdings Ltd	539		21.05	0.45
Wang On Group Ltd	1222		17.65	0.056
Welback Holdings Ltd	491		13.64	0.095
Winsor Industrial Corporation Ltd	98		11.11	2.00
Yew Sang Hong (Holdings) Ltd	290	13.68		1.33

Investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) were especially concerned about the Kmart situation (Please see Wednesday's report) and the upcoming statements of Dr Alan Greenspan, the Chairman of the US Federal Reserve Board, who was due to address the US Senate, last Thursday, Washington time.

In respect of Kmart, there had been statements that Asia would be paid by the giant retailer for its shipments, to date, but not many people were paying too much attention to the utterances of Kmart's (outgoing?) Management because the company is, now, in the hands of the court.

Locally, it was disclosed that some 152 clients of Ying Kit Stock Company has made complaints to the HKSAR copshop, alleging that about \$HK110 million of their money had vanished.

The stockbrokerage's proprietor, Mr Lam Kwan Kit, appeared to have gone missing and the police had classified the case as one of theft.

On Wall Street, last Wednesday, there was a little bit of a respite, with share prices, rising moderately.

On The New York Stock Exchange, the Dow Jones Industrial Average gained 17.09 points, about 0.18 percent, ending the session at 9,730.89 points.

As for the NASDAQ, its Composite Index moved ahead about 39.79 points, or about 2.11 percent, to 1,922.32 points.

Merrill Lynch and Company, a US stockbrokerage company that used to be Number One in the country but was overtaken by more aggressive '*wholesalers*', announced that it had enjoyed its first quarterly loss since 1998.

The company said that, for the fourth quarter, it recorded a loss of about \$US1.26 billion.

Merrill Lynch has, in the past year, sacked about 15,000 of its staff and closed down numerous offices, worldwide.

From the US aviation giant, Boeing, came news that its last quarter, ended December 31, 2001, saw a 79.20-percent fall in net profit, to about \$US100 million.

On The GEM, it was almost the same story as was being told on the Main Board of The Stock Exchange of Hongkong Ltd as the Growth Enterprise Index lost about 1.58 percent of its value, falling back to 200.79 points.

A challenge to the 200-level was, clearly, on the cards.

The Total Turnover was about \$HK308.15 million, but that figure was boosted by first-day trading in the shares of outdoor advertising company, MediaNation Incorporated (Code: 8160).

This PRC advertising company saw 25.67 million of its shares traded, during the day, with its share price, fluctuating between a high of \$HK2.55 and a low of \$HK2.125.

The Offer Price of the shares had been lowered by the Underwriters from the high point of \$HK3.80 to \$HK2.60, but investors on The GEM lowered it just a tad lower: To \$HK2.15 by the close of trading.

Investors were showing intense dislike of the company and of its shares, it seemed.

Stand by for the \$HK1 level to be breached?

(Please see last Wednesday's [TARGET Intelligence Report, Volume IV, Number 16](#), for full analysis of this company and of rejection by the majority of the investing public of the HKSAR)

The cash value of the trades in MediaNation, at about \$HK59.47 million, represented about 19.30 percent of the Total Turnover of the day.

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

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Codebank Ltd	8162		12.59	0.118
Glory Mark Hi-Tech (Holdings) Ltd	8159		11.11	0.32
Greencool Technology Holdings Ltd	8056		10.64	1.26
Intcera High Tech Group Ltd	8041		10.34	0.26
Inworld Group Ltd	8100		12.50	0.35
TelEye Holdings Ltd	8051	14.29		0.32
Xteam Software International Ltd	8178		24.56	0.86

On The Tokyo Stock Exchange, investors were still reeling from the Snow Brand Food Company's full admission of its attempts to defraud the Japanese Government.

The company's chairman, Mr Shozo Yoshida, had to admit the fraud, which included disguising Australian beef as Japanese beef in order to take advantage of the Japanese Government's subsidiary programme, following the outbreak of Mad Cow Disease.

The Australian beef was imported at a price of 700 yen per kilogram and then resold to the Japanese Government for destruction at a purchase price of 1,060 yen per kilogram.

The matter is now under investigation by the Japanese copshop.

Up until the fraud was discovered, Snow Brand had received Japanese Government subsidies of about 9.60 billion yen (about \$US720 million).

The scandal has international ramifications because, as it is, many people do not trust Japanese food products. Now, they trust '*Japan Incorporated*' even less.

The blue-chip index of The Tokyo Stock Exchange, the Nikkei-225 Stock Average, lost most of its earlier gains, but managed to squeak through with an improvement of one third of a percent point, exactly, ending the session at 10,074.05 yen.

The yen rose to another high, skimming the 134-yen mark.

But, other than the Snow Brand scandal, there was little happening in The Land of The Rising Sun.

In other Asian markets, it was a fairly mixed bag:

Indonesia	Plus 2.74 percent to 445.85
Japan	Plus 0.33 percent to 10,074.05
Malaysia	Minus 0.38 percent to 685.95
The Philippines	Plus 1.69 percent to 1,339.64
Singapore	Minus 0.20 percent to 1,662.98
South Korea	Plus 2.03 percent to 757.71
Taiwan	Plus 0.56 percent to 5,801.92

Thailand	Plus 2.15 percent to 333.96
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Friday

All of the major stock markets in Asia, with the lone exception of the stock markets of the Philippines, moved to higher ground, last Friday, following the remarks of the Chairman of the US Federal Reserve Board at the US Senate Budget Committee, last Thursday in Washington.

Dr Alan Greenspan gave, what was interpreted as being, a more optimistic outlook for the largest single economy of the world.

He, also, hinted that the days of ever lower, and lower, interest were coming to a halt. (Please see lead story in this edition)

Certainly, Wall Street took the good doctor's remarks as being mildly bullish, resulting in share prices, rising to higher ground.

On The New York Stock Exchange, the blue-chip, Dow Jones Industrial Average gained 65.11 points, rising to 9,796.07 points, an improvement of about 0.67 percent.

On the NASDAQ, its Composite Index rose 20.20 points, or 1.05 percent, ending the day at 1,942.58 points.

Dr Greenspan's statements were carefully considered deductions, garnished from the most-recent, US economic data, but the interpretation of that data may be called into question, soon, due to a multitude of extraneous factors that could upset the good doctor's applection.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors were not too sure that the oblique economic prognosis of the good doctor was, completely, on the mark.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index hardly moved, during the morning session, but a bit of a spurt pushed it 31.50 points higher in the 90-minute afternoon session, a one-day gain of about 0.29 percent.

The Hang Seng Index finished the week off on a similar note as it started the week, and exactly 200 points from its starting point of Monday, January 21, at 10,772.96 points.

The Total Turnover of last Friday, however, was about \$HK8.59 billion, with the ratio of gainers to losers, being 1.65:One.

But there were more losers than gainers on the most active counters.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Down 1.32 percent to \$HK7.50 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.69 percent to \$HK72.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.33 percent to \$HK74.75 per share
HSBC Holdings plc (Code: 5)	Up 1.72 percent to \$HK88.50 per share
Cathay Pacific Airways Ltd (Code: 293)	Up 7.14 percent to \$HK12.00 per share

Hang Seng Bank Ltd (Code: 11)	Up 0.29 percent to \$HK86.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Unchanged at \$HK62.75 per share
China Everbright Ltd (Code: 165)	Down 4.67 percent to \$HK5.10 per share
Henderson Land Development Company Ltd (Code: 12)	Down 1.20 percent to \$HK33.00 per share
China Unicom Ltd (Code: 762)	Down 1.32 percent to \$HK7.50 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ABC Communications (Holdings) Ltd	30		15.79	0.192
Bestway International Holdings Ltd	718		10.00	0.018
Central China Enterprises Ltd	351	12.50		0.126
China Bio-Medical Group Ltd	140		11.11	0.016
Digital World Holdings Ltd	109	15.19		0.091
Global Bio-chem Technology Group Company Ltd	809	15.66		2.40
Heng Fung Holdings Ltd	185		16.28	0.072
i100 Ltd	616	11.29		0.345
Kwong Hing International Holdings (Bermuda) Ltd	1131		10.42	0.043
MUI Hongkong Ltd	542	10.00		0.099
O2Neew Technology Ltd	94	11.11		0.05
Proview International Holdings Ltd	334	11.11		0.45
S.A.S. Dragon Holdings Ltd	1184	10.47		0.475
Shimao China Holdings Ltd	649	10.77		0.72
Shun Ho Resources Holdings Ltd	253		22.55	0.182
Sinopec Shanghai Petrochemical Company Ltd	338	11.24		0.99
Simsen International Corporation Ltd	993	10.53		0.021
The Sincere Company Ltd	244	21.43		0.34
Sky Hawk Computer Group Holdings Ltd	1129	21.79		0.475
Suwa International Holdings Ltd	567		10.00	0.27
TechCap Holdings Ltd	673	44.23		0.075
Vision Tech International Holdings Ltd	922		13.10	0.126
Wang On Group Ltd	1222	10.71		0.062
Wing Lee Holdings Ltd	876	13.04		0.78
Wo Kee Hong (Holdings) Ltd	720	15.63		0.074
Yew Sang Hong (Holdings) Ltd	290	16.54		1.55

Regardless of what happens in the world's largest economy, it will take a year or more before any material improvement can cascade down to the HKSAR.

And most thinking investors of the HKSAR realise this fact and take appropriate action.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, as expected, The Growth Enterprise Index crashed through the 200-level in the morning session, hitting 199.24 points by the time that the luncheon break was announced.

The 90-minute afternoon session saw The Index run back to 201.66 points for a 0.43-percent gain over Thursday's close.

The Total Turnover was about \$HK391.20 million, with the ratio of gainers to losers, being about 1.21:One.

Of some interest to market watchers was the fact that 72 percent of all the counters that saw some action, recorded no movement in their share prices.

Also, as had been generally expected, MediaNation Incorporated (Code: 8160), listed for the first time on Thursday, saw its share price slip below the \$HK2-level, ending the week at \$HK2.20 per share. (Please see Thursday's report)

The biggest movers on this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Glory Mark Hi-Tech (Holdings) Ltd	8159	29.69		0.415
Greencool Technology Holdings Ltd	8056	15.87		1.46
STAREASTnet.com Corporation	8010		17.19	0.053
Thiz Technology Group Ltd	8400	16.67		0.42
WLS Holdings Ltd	8021	11.25		0.445
Xteam Software International Ltd	8178	30.23		1.12

In Japan, Dr Alan Greenspan's statements did not have too much of an affect on the market because so many local, negative factors took precedence.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average moved up about 70.09 yen, or about 0.70 percent, to end the week at 10,144.14 yen.

The closing level of the Nikkei-225 was exactly 149.18 yen lower than the start of trading on Monday, January 21.

In spite of last Friday's Nikkei-225 rising, losers were ahead of gainers by the ratio of about 1.19:One.

Electronics appeared to be in demand, but only moderately so. For every one that rose, there was double that number that fell.

Some of the biggest movers included:

Advantest	Up 3.05 percent to 7,430 yen per share
Aiwa	Up 29 percent to 291 yen per share
Fanuc	Up 4.02 percent to 5,690 yen per share
Kyocera	Up 4.04 percent to 8,250 yen per share
Minolta	Up 4.82 percent to 174 yen per share
Rohm	Up 2.14 percent to 17,660 yen per share
Sanyo Electric*	Up 3.31 percent to 562 yen per share
Toshiba Corporation*	Up 2.75 percent to 449 yen per share
Sharp	Up 3.04 percent to 1,391 yen per share

* Among the most active counters of the day

In other news, the Snow Brand scandal continued to be felt on Japan's 3 stock markets.

The matter is now under investigation by the copshop; and, the highest level of Government is taking a keen interest in the matter.

Snow Brand Milk lost 16.48 percent of its market capitalisation, last Friday, falling back to 147 yen per share.

A report was circulating, last Friday, that Seibu Department Stores Ltd was considering closing down 5 of its stores.

The stores in the more rural areas of the country are all losing money.

Seibu is one of the largest remaining retailers in The Land of The Rising Sun.

On foreign exchange markets, the yen vis-à-vis the US dollar continued to weaken and was traded at about 134.77 yen.

On such a note, Asia went home: It had been a bad week, all things considered.

This is the way that things looked on other Asian bourses, last Friday night:

Indonesia	Plus 1.48 percent to 452.45
Japan	Plus 0.70 percent to 10,144.14
Malaysia	Plus 1.11 percent to 693.58
The Philippines	Minus 0.19 percent to 1,337.15
Singapore	Plus 4.08 percent to 1,730.83
South Korea	Plus 2.24 percent to 774.68
Taiwan	Plus 2.56 percent to 5,950.64
Thailand	Plus 1.51 percent to 338.99

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