

CALPERS CLIPS BILLIONS OFF MARKET CAPITALISATIONS IN ASIA

It was only during the last 30 minutes of last Monday's trading session that caused the '*barometer*' of the Main Board of The Stock Exchange of Hongkong Ltd to register a positive figure – because, in the morning session, to 12:30 pm, the Hang Seng Index hardly moved off the previous Friday's close, registering a loss of just 9.10 points to 10,952.78 points.

The Hang Seng Index finished the day at 11,002.81 points, an improvement of about 0.37 percent, compared with the previous Friday's close (February 15), pulling up its '*socks*' by 50 points in the tail end of the session.

For the first full week of trading, following the long, Chinese New Year break, the situation looked ominous for investors on the second largest bourse in Asia, as share prices started to drift, seemingly aimlessly.

A stock market that cannot rise must fall, as the idiom goes.

What was unnerving investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) were continuing reports about companies, known to be in financial trouble.

Restaurants are closing, one after another, while many hotels, today, are happy to record occupancy levels of just 50 percent – which is borderline for the Bottom Line for any hotel, just about anywhere in the world.

The Hongkong Government's Secretary for Education and Manpower announced that it expected the unemployment rate '*to continue to rise for some time in the (near-term) future*'.

The HKSAR unemployment rate is, already, at a 2-year high at 6.10 percent, but some people were suggesting that it could hit 7 percent before the end of the year.

In addition to the sorry state of affairs of the HKSAR's economy, last Monday was the first day of the Asian tour of US President George W. Bush, who was in Tokyo, talking to Prime Minister Junichiro Koizumi.

President Bush, also, made his first major faux pas of the trip, last Monday, stating that the yen should be devalued. What he meant to say was that Japanese deflation must be tackled.

He is fast becoming one of the most colourful characters of all the leaders of the most powerful countries of the world, but one should not blame him for not knowing the differences between deflation, inflation and devaluation – because previous Japanese Administrations, also, did not understand the differences.

Otherwise, the country would not be in the mess that it is today.

While President Bush was enjoying his sushi, sashimi and ogling Geisha girls, as well as being feted by Japanese dignitaries, back in the HKSAR, things were not good at all.

On The Stock Exchange of Hongkong Ltd, the Total Turnover dropped to about \$HK6.28 billion, with the ratio of losers to gainers, being 1.76:One.

But more than half of all the counters that were traded saw no movements in their share prices.

The Ten Most Actives were:

Hutchison Whampoa Ltd (Code: 13)	Up 1.83 percent to \$HK69.50 per share
China Mobile Ltd (Code: 762)	Unchanged at \$HK23.70 per share
HSBC Holdings plc (Code: 5)	Down 0.28 percent to \$HK89 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.73 percent to \$HK73.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.17 percent to \$HK64.75 per share
PetroChina Company Ltd (Code: 857)	Up 2.76 percent to \$HK1.49 per share
CNOOC Ltd (Code: 883)	Down 1.69 percent to \$HK8.75 per share
Aluminum Corporation of China Ltd (Code: 2600)	Up 6.55 percent to \$HK1.79 per share
CITIC Pacific Ltd (Code: 267)	Up 3.86 percent to \$HK16.15 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.56 percent to \$HK88.50 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
Angang New Steel Company Ltd	347	12.10		1.39
Applied (China) Ltd	472	11.54		0.087
China Everbright Technology Ltd	256	30.77		0.34
Digital World Holdings Ltd	109	18.52		0.032
Dransfield Holdings Ltd	632	12.77		0.106
Dynamic (Holdings) Ltd	29		12.00	2.20
i100 Ltd	616	11.11		0.30
Jilin Chemical Industrial Company Ltd	368	11.86		0.66
K. Wah Construction Materials Ltd	27	12.00		0.56
Keck Seng Investments (Hongkong) Ltd	184	22.37		0.93
Magician Industries (Holdings) Ltd	526	27.27		0.14
Medtech Group Company Ltd	1031		16.00	0.021
Northern International Holdings Ltd	736	13.33		0.017
Ryoden Development Ltd	745		10.00	0.36
Sinopec Shanghai Petrochemical Company Ltd	338	15.38		1.20
Simsen International Corporation Ltd	993		10.00	0.018
Takson Holdings Ltd	918	11.11		0.60
TechCap Holdings Ltd	673	15.22		0.053
Wang On Group Ltd	1222	14.89		0.054
Wing Lee Holdings Ltd	876		28.43	0.73
Wo Kee Hong (Holdings) Ltd	720		20.00	0.02

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the trading pattern was in stark contrast to trading on the Main Board, with business, being brisk in the morning session, only to peter out in the 90-minute afternoon session, to 4 pm.

The Growth Enterprise Index registered a gain of about 0.90 percent by the close of trading, coming to rest at 207.35 points.

The Total Turnover, however, was just \$HK160.04 million, indicating just how very selective was trading, last Monday.

The ratio of gainers to losers was tight at 1.06:One (actually, it was 37:35), with about 67 percent of all counters, staying pat at their previous closing levels.

Mr Li Ka Shing's tom.com Ltd (Code: 8001) was the most-active counter of the day as its share price bounced up by exactly 2 percent to \$HK3.825, after investors traded about 9.55 million shares in the investment company.

The volume of activity in this counter, at about \$HK36.21 million, represented about 22.63 percent of the Total Turnover.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CASH Financial Services Group Ltd	8122	11.11		0.03
Golding Soft Ltd	8190	21.67		0.365
Jiangsu Nandasoft Company Ltd	8045	12.66		0.89
Medical China Ltd	8186	25.45		0.69
Smartech Digital Manufacturing Holdings Ltd	8068		11.11	0.016
Xteam Software International Ltd	8178	11.96		1.03

In Japan, the visit of the US President took precedence over all other things, causing trading to slow, appreciably, on Asia's largest and most-important stock market: The Tokyo Stock Exchange.

The Nikkei-225 Stock Average finished the session up 45.15 yen, or about 0.45 percent, to close out the day at 10,093.25 yen.

Only a few counters made appreciable moves, although select electronics, such as Clarion, a motor-car, stereo manufacturer, saw its share price jump about 21.52 percent to 96 yen per share on unconfirmed suggestions that it might land a big order from Nissan Motor Company.

The share price of Nissan, however, fell 1.13 percent to end the day at 790 yen per share.

The Tokyo Stock Exchange was directionless, for the most part, as Japan awaited the outcome of what was termed, The Great US-Japanese Summit 2002.

In other parts of Asia, this was how those stock markets looked, last Monday night:

Indonesia	Plus 2.89 percent to 462.35
Japan	Plus 0.45 percent to 10,093.25
Malaysia	Minus 0.12 percent to 721.13
The Philippines	Plus 1.55 percent to 1,438.83
Singapore	Minus 0.43 percent to 1,760.74
South Korea	Plus 0.87 percent to 790.37
Taiwan	Plus 0.72 percent to 5,968.61
Thailand	Plus 1.08 percent to 377.03

Tuesday

Aside from an admitted 'sick' economy, what continued to haunt US bourses, last Tuesday, was the real and perceived fears that more major US corporations would have to admit to have been indulging in creative accounting policies, in past financial years.

Enron shook the US stock markets, more than a month earlier, but, now, there are concerns that Enron was far from being an 'orphan'.

For the first trading day of the week of February 19 (Monday, February 18, was a public holiday in the US), Wall Street took a walloping, for the second consecutive trading day on the world's largest stock market.

The New York Stock Exchange saw its Dow Jones Industrial Average sink by 159.21 points, equivalent to about 1.61 percent, coming to rest at 9,743.83 points.

The NASDAQ, on the other hand, was hit even harder as its Composite Index surrendered 55.35 points of its value, ending the day at 1,749.85 points, a one-day loss of about 3.10 percent.

Investor thinking in the US is, simply, this: If one cannot trust the Big 5 international accounting firms, whom may one trust?

The US sell-off cascaded down to the most populous area of the world, clipping billions of dollars off the market values of stocks and shares.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index surrendered about 1.48 percent of its value, ending the day at 10,840.49 points on a lean Total Turnover of about \$HK5.89 billion.

The Ten Most Actives lost ground, with one lone exception, which just managed to hold its ground:

Hutchison Whampoa Ltd (Code: 13)	Down 2.52 percent to \$HK67.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.63 percent to \$HK23.55 per share
HSBC Holdings plc (Code: 5)	Down 1.12 percent to \$HK88 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 2.38 percent to \$HK71.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.32 percent to \$HK63.25 per share
Hang Seng Bank Ltd (Code: 11)	Down 1.13 percent to \$HK87.50 per share
PetroChina Company Ltd (Code: 857)	Down 0.67 percent to \$HK1.48 per share
China Petroleum and Chemical Corporation (Code: 386)	Unchanged at \$HK1.24 per share
China Unicom Ltd (Code: 762)	Down 1.91 percent to \$HK7.70 per share
Pacific Century CyberWorks Ltd (Code: 8)	Down 2.07 percent to \$HK1.89 per share

The ratio of losers to gainers was 1.80:One.

The double-digit movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
Ananda Wing On Travel (Holdings) Ltd	1189	16.00		0.058
Bestway International Holdings Ltd	718	10.53		0.021
Chevalier iTech Holdings Ltd	508		10.34	0.26
China Bio-Medical Group Ltd	140	13.33		0.017
Compass Pacific Holdings Ltd	1188	10.20		0.54
Global Food Culture Group Ltd	970		24.36	0.059
Grand Field Group Holdings Ltd	115	10.00		0.33
Hi Sun Group Ltd	818	11.88		1.13
Hongkong Fortune Ltd	121	13.21		0.06
K. Wah Construction Materials Ltd	27	16.97		0.65
K. Wah International Holdings Ltd	173	20.00		0.72
Luen Cheong Tai International Holdings Ltd	1190		13.79	0.05
Mansion Holdings Ltd	547	18.37		0.058
Massive Resources International Corporation Ltd	70	11.22		0.119
Paladin Ltd	595	16.84		0.111
Sen Hong Resources Holdings Ltd	76	26.92		0.33
Symphony Holdings Ltd	1223	17.33		1.76
Takson Holdings Ltd	918	15.00		0.69
TechCap Holdings Ltd	673	15.09		0.061
Tse Sui Luen Jewellery (International) Ltd	417	14.29		0.08
V.S. International Group Ltd	1002	11.58		0.53
Wo Kee Hong (Holdings) Ltd	720	30.00		0.026

The Government of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) was expected to announce more negative news about the foundering economy before the week was up, and so investors took positions, ahead of the expected bearish announcements.

The Chief Executive of the HKSAR, Mr Tung Chee Hwa, crowned himself '*king*' for a second, 5-year term, following his campaign team, capturing 706 votes out of the 800 available votes of the hand-picked, Election Committee.

(Each member of the Election Committee may only vote for one candidate for the office of Chief Executive and, when there is only one candidate, it makes life easier in the selection process)

The self-crowning was a surprise to few people since Mr Tung Chee Hwa is, after all, the choice of Beijing.

In true PRC Government fashion, the outcome of an election is, always, known in advance of the election, itself.

Which makes things very easy for everybody and reduces the stress on candidates, who await, agog, the outcome of an election.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, while The Growth Enterprise Index gained 0.86 percent, rising to 209.14 points, losing counters outpaced gaining ones by the ratio of about 1.47:One.

The Total Turnover on this market was about \$HK236.94 million.

Mr Li Ka Shing's tom.com Ltd (Code: 8001) continued to be top dog, so to speak, as its share price scooted up another 3.92 percent to hit \$HK3.975 by the close of trading.

Trading in this one counter accounted for nearly 29 percent of the Total Turnover.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
36.com Holdings Ltd	8036		10.00	0.018
China Medical Science Ltd	8120	14.29		0.40
Jessica Publications Ltd	8137	10.53		0.63
Neolink Cyber Technology (Holdings) Ltd	8116	11.29		0.345

Of all the bourses in Asia, Japan suffered the worst as The Tokyo Stock Exchange's Nikkei-225 Stock Average suffered its largest, one-day fall since last December 13.

The Nikkei-225 Stock Average gave up 246.09 yen, about 2.44 percent, falling back to 9,847.16 yen.

The failure of The Great US-Japanese Summit 2002 to bring about positive results with regard to the wilting Japanese economy disappointed many Japanese investors, who had thought that Prime Minister Junichiro Koizumi would unleash some of definitive economic plans. (Please see Monday's report)

The ratio of losers to gainers was a resounding 3.17:One.

Banking counters and securities houses took it on their proverbial noses, as the following select TARGET list of the leaders indicates:

Banks

Asahi Bank*	Down 4.00 percent to 72 yen per share
Daiwa Bank Holdings*	Down 3.90 percent to 74 yen per share
Mitsui Tokyo Finance	Down 4.71 percent to 769,000 yen per share
Mizuho Holdings	Down 7.36 percent to 214,000 yen per share
Sumitomo Mitsui Banking*	Down 5.64 percent to 452 yen per share

* Among the most active counters

Securities Houses

Daiwa Securities*	Down 5.91 percent to 653 yen per share
New Japan Securities	Down 4.92 percent to 174 yen per share
Nikko Cordial*	Down 8.79 percent to 415 yen per share
Nomura Holdings*	Down 6.44 percent to 1,352 yen per share

* Among the most active counters

Japan was waiting to hear the bad news from banks and securities houses, due out in the first fortnight of March.

The situation in The Land of The Rising Sun looked exceeding fragile and this was reflected, to a great extent, in trading on the premier bourse of the nation.

This was how other Asian markets saw the situation, last Tuesday night:

Indonesia	Minus 0.36 percent to 460.70
Japan	Minus 2.44 percent to 9,847.16
Malaysia	Plus 1.19 percent to 729.73
The Philippines	Plus 2.10 percent to 1,469.07
Singapore	Minus 1.02 percent to 1,742.73
South Korea	Minus 1.02 percent to 782.27
Taiwan	Minus 1.79 percent to 5,861.66
Thailand	Minus 1.45 percent to 370.19

Wednesday

Only the Thai stock market, located in the Capital City, Bangkok, managed to buck the bearish-trend of Asia, last Wednesday, as one by one of the major bourses came under heavy selling pressure.

Asia was watching Wall Street for an indication of future direction – and such an indication never really came.

On The New York Stock Exchange, last Wednesday, the Dow Jones Industrial Average, the blue-chip gauge of trading on the world's largest stock market, rose 196.03 points to end the session at 9,941.17 points, a one-day improvement of about 2.01 percent.

While this gain may have tended to make one think, at first glance, that it was a reversal of Tuesday's market, which saw widespread losses, in view of the evolving Enron Scandal and an announcement that yet another company was under the US Government's microscope for potential accountancy irregularities, the gains on The New York Stock Exchange, last Wednesday, were shrugged off as short-covering, and little more.

It was reported that there was a probe in force by the Federal Bureau of Investigation into the accounting practices of Computer Associates.

Down came that company's share price by 17 percent, posthaste.

On the NASDAQ, its Composite Index rose by about 25 points, or about 1.43 percent, ending the day at 1,775.58 points.

DaimlerChrysler, the fifth-largest, motor-vehicle manufacturer in the world, had to admit defeat in respect of its US division, which posted huge losses, during the last Financial Year.

DaimlerChrysler announced that it had lost about \$US1.93 billion for the 2001 Year. This compared with a Net Profit of about \$US425 million for the 2000 Year.

Asia watched and waited for the fallout.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the talk was on the 'new' Chief Executive, Mr Tung Chee Hwa, and how wonderful it was that he had slipped into the top slot of Government, so effortlessly.

The remarks were heard on the street: Some people have all the luck!

Trading on the Main Board of The Stock Exchange of Hongkong Ltd continued to be constrained, with the Total Turnover at about \$HK5.70 billion.

The Hang Seng Index was about 0.84 percent lower, at 10,749.06 points, with losers, outrunning gainers by the ratio of 1.07:One.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Down 3.40 percent to \$HK22.75 per share
HSBC Holdings plc (Code: 5)	Down 1.14 percent to \$HK87.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.37 percent to \$HK68.00 per share
CNOOC Ltd (Code: 883)	Down 0.59 percent to \$HK8.40 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.35 percent to \$HK72.00 per share
China Unicom Ltd (Code: 762)	Down 1.95 percent to \$HK7.55 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.25 percent to \$HK87.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Unchanged at \$HK63.25 per share
Cathay Pacific Airways Ltd (Code: 293)	Down 5.00 percent to \$HK11.40 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Up 1.46 percent to \$HK10.45 per share

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Century City International Holdings Ltd	355	15.79		0.044
Digital World Holdings Ltd	109	14.29		0.04
Gemzboh Holdings Ltd	1192	19.84		0.151
Global Tech (Holdings) Ltd	143	11.86		0.33
Hi Sun Group Ltd	818	16.81		1.32
Hudson Holdings Ltd	758	11.11		0.70
i100 Ltd	616		11.67	0.265
King Fook Holdings Ltd	280		10.26	0.35
Lee and Man Handbag International Ltd	746	10.00		0.55
Luen Cheong Tai International Holdings Ltd	1190	32.00		0.066
Man Yue International Holdings Ltd	894	11.11		0.18
ONFEM Holdings Ltd	230	15.79		0.33
Oxford Properties and Finance Ltd	220	13.40		22.00
Pacific Challenge Holdings Ltd	166	130.77		0.75
Shanghai Allied Cement Ltd	1060	10.53		0.021
Simsen International Corporation Ltd	993	11.11		0.02
Swank International Manufacturing Company Ltd	663	13.24		0.077

The long-awaited results of Standard Chartered Bank plc of the United Kingdom were made public, last Wednesday. The bank announced that it had made Provisions for Bad and Doubtful Debts in the last Financial Year of about \$US731 million.

As for HKSAR operations, it had put aside about \$HK2.01 billion for Bad and Doubtful Debt Provisions.

As for its Bottom Line, it sank 20 percent in 2001, compared with 2000.

Standard Chartered Bank is not listed on The Stock Exchange of Hongkong Ltd, but it is widely expected to seek a listing this year.

The importance of Standard Chartered Bank's announcement is that it is considered an indicator of what may be expected with regard to the 2001 results for HSBC Holdings plc (Code: 5), which will announce its results in the first fortnight of March.

The Bank of East Asia Ltd (Code: 23) announced its 2001 results on February 5 – and they were not received with a great deal of joy since the top domestic bank of the HKSAR announced a Bottom Line, which was down about 15 percent, compared with the 2000 Year's Financial Year, ended December 31.

Shades of things to come.

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – it was another nothing day as The Growth Enterprise Index managed to make a gain of just 0.35 percent, rising to 209.88 points.

The Total Turnover slumped to about \$HK172.54 million, with gainers and losers, almost neck-to-neck at 1.03:One, and with about 66 percent of all the counters, seeing some action in their shares, staying unchanged at previous price levels.

Mr Li Ka Shing's tom.com Ltd (Code: 8001) continued to be the top-traded counter of the day as investors switched about 14.57 million shares, representing, in dollar terms, about 34 percent of the Total Turnover of the day.

The share price of tom.com gained another 1.89 percent, rising to \$HK4.05 by the close.

For a company that has yet to make a cracker in profits, it is interesting that the share price of this company can continue to rise so spectacularly in an otherwise falling market, some people were remarking.

Xteam Software International Ltd (Code: 8178) saw its share price shot down by 4.50 percent as investors dumped the shares, pulling down its price to \$HK1.06. It was the second, most-active share of the day.

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
36.com Holdings Ltd	8036	11.11		0.02
Blu Spa Holdings Ltd	8176	14.36		0.231
China Medical Science Ltd	8120		10.00	0.36
Codebank Ltd	8162		12.63	0.083
Prosten Technology Holdings Ltd	8026		13.33	0.221

In Japan, trading was very quiet on The Tokyo Stock Exchange, the premier bourse of The Land of The Rising Sun.

The Nikkei-225 Stock Average fell 0.13 percent, dropping back to 9,834.13 yen.

Electronics appeared to be the target of many investors, following on from an announcement from Matsushita Communications Industrial with regard to its expected losses for the Current Year.

The second-largest maker of mobile telephones in the nation announced that it expected losses for the Year of about 44 billion yen. That is about 47 percent higher than previous estimates.

Matsushita's announcement set the stage for widespread selling of select electronics:

Fujitsu	Down 3.31 percent to 789 yen per share
Hitachi	Down 1.99 percent to 790 yen per share
Kyocera	Down 2.92 percent to 7,310 yen per share
Matsushita Electric Industrial*	Down 2.45 percent to 1,512 yen per share
NEC*	Down 1.39 percent to 851 yen per share
Pioneer	Down 2.17 percent to 2,250 yen per share
Sanyo Electrical	Down 3.07 percent to 537 yen per share
Sony	Down 2.44 percent to 6,000 yen per share

* Among the most active counters of the day

Aside from select electronics, however, the market was extremely quiet.

As with the HKSAR, Japan was waiting for its major banks to unleash their results for the last 12-month period.

Alternatively, the market was waiting for the Japanese Government to make a commitment to bail out its bankrupt banks.

In other parts of Asia, this was how the situation looked on their stock markets:

Indonesia	Minus 0.49 percent to 458.46
Japan	Minus 0.13 percent to 9,834.13
Malaysia	Minus 0.95 percent to 722.79
The Philippines	Minus 1.08 percent to 1,453.17
Singapore	Minus 0.77 percent to 1,729.35
South Korea	Minus 0.69 percent to 776.89
Taiwan	Minus 2.89 percent to 5,692.18
Thailand	Plus 1.65 percent to 376.31

Thursday

As expected, the unemployment rate of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) hit a new high: As at January 31, it stood at 6.70 percent, up from 6.10 percent, Quarter-on-Quarter.

The HKSAR Government announcement was hardly a shock because, on Monday, February 18, there had been an official announcement in respect of the situation in the territory. (Please see Monday's report)

Not since 1981 had there been such a rise in unemployment in the HKSAR.

And the unemployment rate could hit 7.50 percent by the summer, according to a Government warning.

That announcement, coupled with the continuing, deteriorating situation on Wall Street, put the skids under many share prices as investors sought to bail out.

But support of prices on The Stock Exchange of Hongkong Ltd came in in the 90-minute afternoon session, causing the Hang Seng Index, the blue-chip gauge of trading on the Main Board, to register a gain by the close of the day.

The Hang Seng Index ended the session at 10,788.90 points, an improvement of about 0.37 percent over Wednesday's close.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.29 percent to \$HK86.75 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK68 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.32 percent to \$HK23.05 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.69 percent to \$HK72.50 per share
PetroChina Company Ltd (Code: 857)	Down 2.05 percent to \$HK1.43 per share
Sun Hung Kai Properties Ltd (Code: 16)	Unchanged at \$HK63.25 per share
China Unicom Ltd (Code: 762)	Up 0.66 percent to \$HK7.60 per share
CLP Holdings Ltd (Code: 2)	Up 1.31 percent to \$HK30.90 per share
Henderson Land Development Company Ltd (Code: 12)	Up 2.06 percent to \$HK34.70 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.57 percent to \$HK87.75 per share

The ratio of gainers to losers was 1.10:One, but about 56 percent of all the counters that saw trading in their stocks only managed to hold onto previous closing levels.

The Total Turnover of the day was about \$HK6.35 billion.

News wise, US President George W. Bush was in Beijing, the Capital City of the PRC, talking to all the Chinese bigwigs there, but nothing of an extraordinary nature came out of the visit.

The President of the PRC, Mr Jiang Ze Min, however, proved to be a hit on the dance floor and in the crooning department.

This is the first time that the world knew of his prowess in this direction, although it was well known that he is very adept at orchestrating elections in the National People's Congress (NPC).

Somewhat of a blow to Asia was an announcement that the largest US pension fund, The California State Employees Fund (CALPERS), a fund with about \$US151 billion under management, would be withdrawing its funds from the stock markets of Thailand, Indonesia, the Philippines and Malaysia, citing human rights abuses, among other things, as one of the major reasons.

Chase Manhattan Bank N.V., more than 20 years ago, had formed the policy that, if there was not a coup d'état in Thailand within a 5-year period, it would pull out of that market, partially or in total, awaiting the next government to oust the Administration.

It takes some people a little more time to reach conclusions than others, it would appear.

Still, one country's loss could well turn out to be other countries' gains.

Getting back to the HKSAR, the most-active counters of the Main Board of The Stock Exchange of Hongkong Ltd, last Thursday, included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
China Development Corporation Ltd	487		12.82	0.034
Digital World Holdings Ltd	109	25.00		0.05
Dransfield Holdings Ltd	632	10.92		0.132
E-LIFE International Ltd	370	12.77		0.106
G-Prop (Holdings) Ltd	286	20.20		0.119
Global Food Culture Group Ltd	970	11.11		0.07
Heng Fung Holdings Ltd	185		14.29	0.06
i100 Ltd	616	13.21		0.30
Magnificent Estates Ltd	201	10.34		0.032
Mansion Holdings Ltd	547		12.28	0.05
Millennium Sense Holdings Ltd	724	12.90		0.14
New Rank City Development Ltd	456	10.45		0.74
New World CyberBase Ltd	276		13.24	0.059
Oriental Metals (Holdings) Company Ltd	1208	11.82		0.246
Oxford Properties and Finance Ltd	220	18.64		26.10
Prestige Properties Holdings Ltd	75	14.75		0.35
SEA Holdings Ltd	251		15.73	1.50
Skynet (International Group) Holdings Ltd	577	20.00		0.012
Wang On Group Ltd	1222	41.38		0.041
Wonson International Holdings Ltd	651	13.33		0.034
Yau Lee Holdings Ltd	406		10.00	0.27

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, Mr Li Ka Shing's quoted vehicle, tom.com Ltd (Code: 8001), continued to dominate trading as investors traded about \$HK54.28-million worth of the stock.

That volume of activity was equivalent to about 28 percent of the Total Turnover of about \$HK195.78 million.

tom.com's share price ended the day at \$HK4.075, up about 0.62 percent compared with Wednesday's close.

The Growth Enterprise Index moved within a very narrow band for the entire day, ending the session at 209.92 points, a gain of about 0.02 percent over Wednesday's closing level.

The ratio of losers to gainers was about 1.35:One.

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Medical Science Ltd	8120	11.11		0.40
DigiTel Group Ltd	8030	12.24		0.165
Riverhill Holdings Ltd	8127	21.05		0.46
T S Telecom Technologies Ltd	8003		10.12	0.151

On The New York Stock Exchange, as had been widely expected in Asia, the market's direction changed, most decidedly, last Thursday, compared with Wednesday.

The blue-chip '*barometer*', the Dow Jones Industrial Average, slid by about 106.49 points, equivalent to about 1.07 percent, ending the day at 9,834.68 points.

The losses tended to confirm the generally held belief that Wednesday's market contained a large number of short-coverers.

As for the NASDAQ, its Composite Index tumbled 59.33 points, equivalent to about 3.34 percent, dropping back to 1,716.24 points.

There was no special news to exacerbate the trading losses, as the same old problems continued to worry investors.

In Japan, however, it was a different kettle of fish (sashimi, if you prefer) to the rest of Asia as investors of the second largest economy of the world ploughed into stocks and shares.

The Tokyo Stock Exchange's Nikkei-225 Stock Average finished last Thursday's session, up 461.29 yen, or about 4.69 percent, rushing back to 10,295.42 yen.

The optimism in trading in stocks and shares on Japan's stock markets was brought about, generally, by the belief that the Government of Prime Minister Junichiro Koizumi would start to inject much-needed cash into the country's struggling banks.

One has heard that story before, of course.

Such a belief, however, right or wrong, caused investors to chase after share prices as the ratio of gainers to losers was a resounding 7.91:One.

The gains on the premier stock market of Japan came on the day that Matsushita Electric Industrial announced that it had lost 172 billion yen for the quarter, ended December 31, 2001.

The electronics giant, known in the marketplace for its Panasonic brand of home appliances and electronics, blamed extreme competition and restructuring costs on the losses.

One has heard that refrain, before, also, of course.

The announcement did not appear to worry investors, however, as the share price of this company, aligned to the second-largest, mobile telephone producer in Japan (Please see Wednesday's report) rose 0.40 percent to 1,518 yen.

But electronics were the flavour of the day in Tokyo; and, so nothing was going to deter poor-suffering investors from having some fun:

Advantest

Up 7.80 percent to 8,570 yen per share

Canon	Up 4.35 percent to 4,560 yen per share
Casio	Up 4.69 percent to 491 yen per share
Fanuc	Up 10.10 percent to 6,430 yen per share
Fuji Electric	Up 6.75 percent to 253 yen per share
Fuji Photo Film	Up 4.90 percent to 4,070 yen per share
Hitachi	Up 3.80 percent to 820 yen per share
JVC	Up 11.62 percent to 365 yen per share
Konica	Up 4.65 percent to 743 yen per share
Kyocera	Up 4.65 percent to 7,650 yen per share
Mitsubishi Electric	Up 2.96 percent to 418 yen per share
NEC*	Up 5.17 percent to 895 yen per share
Nikon	Up 6.38 percent to 1,133 yen per share
Oki Electrical Industrial*	Up 4.58 percent to 251 yen per share
Pioneer	Up 8.00 percent to 2,430 yen per share
Rohm	Up 3.64 percent to 19,660 yen per share
Sanyo Electric	Up 6.89 percent to 574 yen per share
Sharp	Up 3.31 percent to 1,529 yen per share
Sony	Up 6.54 percent to 668 yen per share
Tokyo Electron	Up 9.14 percent to 8,600 yen per share

* Among the most active counters of the day

The stock markets of Japan were the only big gainers throughout Asia, last Thursday:

Indonesia	Plus 0.20 percent to 459.39
Japan	Plus 4.69 percent to 10,295.42
Malaysia	Minus 0.75 percent to 717.39

The Philippines	Minus 0.67 percent to 1,443.44
Singapore	Plus 0.14 percent to 1,731.83
South Korea	Plus 1.38 percent to 787.62
Taiwan	Minus 0.63 percent to 5,656.10
Thailand	Minus 3.31 percent to 363.86

Friday

The psychological effect of the statement by The California State Employees Fund (CALPERS) to the effect that it was pulling out of certain Asian stock markets took its toll of share prices throughout the most populous area of the world, last Friday.

Whether CALPERS had actually started liquidating positions or not, it made little difference because investors were jittery at the prospects that CALPERS's axe was about to fall. (Please see Thursday's report)

It was well that Indonesia's markets were closed for a holiday, otherwise they would have been hit, as were Malaysia, The Philippines and Thailand.

On The Stock Exchange of Hongkong Ltd, trading slowed down to a crawl on the Main Board.

Investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) worried over a number of things, especially the prospects of higher taxes for the coming fiscal year, starting April 1, 2002.

The surging unemployment rate, confirmed to be climbing (Please see Monday and Thursday's reports), did not help matters, either.

The Hang Seng Index, the main indicator of trading in blue chips on the Main Board, lost about 1.15 percent of its value, ending the week at 10,664.94 points.

The Total Turnover on the last day of trading, last week, was a mere \$HK5.74 billion.

All of the Ten Most Actives either saw their market capitalisations pared or, as with the case of one counter, it just managed to cling onto Thursday's closing level.

The ratio of losers to gainers was 1.64:One.

Here are the Ten Most Actives in terms of the value of their trades:

HSBC Holdings plc (Code: 5)	Down 1.15 percent to \$HK85.75 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.47 percent to \$HK67.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.87 percent to \$HK22.85 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 2.07 percent to \$HK71.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.37 percent to \$HK61.75 per share

Hang Seng Bank Ltd (Code: 11)	Down 1.71 percent to \$HK86.25 per share
PetroChina Company Ltd (Code: 857)	Down 0.70 percent to \$HK1.42 per share
CLP Holdings Ltd (Code: 2)	Unchanged at \$HK30.90 per share
Henderson Land Development Company Ltd (Code: 12)	Down 2.31 percent to \$HK33.90 per share
China Unicom Ltd (Code: 762)	Down 0.66 percent to \$HK7.55 per share

With a little more than a fortnight to go before the mighty HSBC Holdings plc will release its financial results for its financial year, ended December 31, 2001, investors preferred to wait rather than to take a gamble on investments/speculations on banking/financial sector counters.

The likelihood was, that until the results were known, HSBC Holdings, along with other banks, would come under selling pressure.

The biggest movers for the last day of the week included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ABC Communications (Holdings) Ltd	30	20.69		0.245
Chevalier Construction Holdings Ltd	579	25.00		0.125
China Development Corporation Ltd	487	14.71		0.039
China Investment Fund Company Ltd	614	11.11		0.50
Everbest Century Holdings Ltd	578	17.86		0.033
Fulbond Holdings Ltd	1041	12.71		0.039
Great Wall Cybertech Ltd	689	23.53		0.021
Hongkong Fortune Ltd	121		10.00	0.054
King Fook Holdings Ltd	280	25.00		0.40
Lai Sun Development Company Ltd	488	10.48		0.116
Medtech Group Company Ltd	1031	15.00		0.023
Oxford Properties and Finance Ltd	220	11.49		29.10
Pacific Challenge Holdings Ltd	166		40.51	0.47
Proview International Holdings Ltd	334	14.49		0.79
RNA Holdings Ltd	501	10.87		0.051
Sen Hong Resources Holdings Ltd	76	15.15		0.38
Sky Hawk Computer Group Holdings Ltd	1129	16.13		0.54
U-RIGHT International Holdings Ltd	627	11.11		0.55
VTech Holdings Ltd	303	11.18		9.45
Wo Kee Hong (Holdings) Ltd	720	24.00		0.031

On Wall Street, share prices, in the main, reversed direction as investors determined that US President George W. Bush's trip to the PRC had been somewhat of a success.

Looking tired from the trip, President Bush managed not to excite or to worry the leaders of the largest country in the world, in terms of human population and the number of chop sticks in reserves.

On The New York Stock Exchange, the Dow Jones Industrial Average gained 133.54 points, equivalent to about 1.36 percent, ending the volatile week at 9,968.22 points.

As for the NASDAQ, its Composite Index rose 8.32 points, or about 0.48 percent, ending its week at 1,724.56 points.

The tally for the week for the world's 2, largest bourses were:

The Dow Jones Industrial Average	Up 0.70 percent
The NASDAQ Composite Index	Down 4.50 percent

Back in the HKSAR, The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd saw large chunks, cut out of market capitalisations of certain counters.

The Growth Enterprise Index lost 1.32 percent, ending the session at 207.15 points. The Total Turnover was about \$HK106.40 million.

And, once again, Mr Li Ka Shing's tom.com Ltd (Code: 8001) was the most-active counter of the day as investors traded about 6.70 million of The Great Man's shares.

By the close of the day, the share price of tom.com had fallen to \$HK3.90, a one-day loss of about 4.29 percent.

Trading in this one counter accounted for about one quarter of the entire volume of activity on The GEM for the day.

The ratio of losers to gainers was 1.59:One, but 84 percent of all the counters, which saw some activity in their shares, stayed pat at Thursday's closing levels.

The most-active counters of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
36.com Holdings Ltd	8036	10.00		0.022
DigiTel Group Ltd	8030		25.45	0.123
Riverhill Holdings Ltd	8127		13.04	0.40

In Japan, while electronics continued to be the flavour of the month on The Tokyo Stock Exchange, trading slowed down, considerably, compared with Thursday's volume.

The blue-chip '*barometer*', the Nikkei-225 Stock Average, gained another 61.36 yen, ending the week on a high note of 10,356.78 yen.

Only electronics stocks managed to make any appreciable gains, but those gains paled, compared with the rises of Thursday.

Snow Brand Foods Company, established in 1950, just 5 years after World War II, announced that it would be sacking about 1,000 of its workers, next month, and, the following month, it would shut down its scandal-tainted food division.

Snow Brand Foods is a 65 percent-owned subsidiary of Snow Brand Milk Products Company.

Snow Brand Foods announced, a couple of months ago, that it uttered falsehoods to the Japanese Government in order to cheat the Government out of tens of millions of yen by having labelled imported Australian beef as domestic beef so that it could be surrendered to the Government in order to obtain cash compensation.

Japan is very worried about Mad Cow Disease, which is known to have infected some cattle.

Snow Brand Milk Products's share price actually rose about 7.64 percent on the news, as investors pushed it to 125 yen.

Another piece of news came from Japan Metals and Chemicals Company, the nation's largest manufacturer of ferroalloys: It filed for bankruptcy.

Japan Metals said that it has debts of about 141 billion yen and employs about 1,400 workers.

And this was the way that things looked in other parts of Asia, last Friday night:

Indonesia	Closed
Japan	Plus 0.60 percent to 10,356.78
Malaysia	Minus 0.95 percent to 710.61
The Philippines	Minus 3.26 percent to 1,396.38
Singapore	Minus 2.41 percent to 1,690.16
South Korea	Plus 0.56 percent to 792.00
Taiwan	Minus 0.82 percent to 5,609.83
Thailand	Minus 2.81 percent to 351.32

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