

**CHINA MOBILE RESHUFFLES ASSETS
AS VODAFONE GIVES IT \$HK5.86 BILLION**

Share prices drifted lower, generally, throughout Asia, last Monday, as investors waited to see what would happen on the world's largest bourse, following the previous Friday's sell-off.

Not that that would have made much of a difference to overall trading sentiment, in the long pull, because the penny had already dropped, as far as many investors were concerned.

On Wall Street on Friday, May 10, there had been widespread selling that pulled down prices on both The New York Stock Exchange and the NASDAQ.

The Dow Jones Industrial Average, the key index of The New York Stock Exchange, fell about 0.97 percent to 9,939.92 points, while the NASDAQ's Composite Index surrendered a full 3 percent of its value, ending the week at 1,600.85 points.

Nothing seemed to be working for Wall Street and its tens of thousands of investors, and the flash-in-the-pan boomlet of the previous Wednesday, following the announcement of Cisco Systems in respect of its third-quarter results, was all but forgotten.

Most of the gains of that boomlet had all but been pared down to nothing before the week was out, in any event.

Last Monday, in the most populous part of the world, investors sold out, generally speaking, pulling down key indices, with just 3 small exceptions.

The biggest loser of the day was Japan, which saw its premier stock market, The Tokyo Stock Exchange, give up 1.68 percent of its Nikkei-225 Stock Average, dropping back to 11,336.95 yen.

The Nikkei-225 Stock Average is considered a prime gauge to trading in blue chips on this market.

On the Main Board of The Stock Exchange of Hongkong Ltd, the main market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the Hang Seng Index gained about 0.75 percent, rising to 11,733.43 points on a Total Turnover of about \$HK8.09 billion.

All of the gains came in the morning session, to 12:30 pm, since the 90-minute afternoon session was extraordinarily quiet.

The ratio of gainers to losers was 1.14:One, with about 46 percent of all those counters that saw some trading activity, holding onto previous closing levels.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 1.85 percent to \$HK96.25 per share
Hikari Tsushin International Ltd (Code: 603)	Up 3.30 percent to 20 cents per share

Hutchison Whampoa Ltd (Code: 13)	Up 1.08 percent to \$HK70.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.39 percent to \$HK25.60 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.34 percent to \$HK75.50 per share
Interchina Holdings Company Ltd (Code: 202)	Up 12.73 percent to \$HK1.24 per share
Hutchison Harbour Ring Ltd (Code: 715)	Up 9.68 percent to \$HK1.02 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.27 percent to \$HK91.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.75 percent to \$HK66.75 per share
China Resources Enterprise Ltd (Code: 291)	Up 4.40 percent to \$HK8.30 per share

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Development Corporation Ltd	487	28.00		0.064
City e-Solutions Ltd	557	10.53		0.63
Continental Holdings Ltd	513	12.07		0.65
Daido Group Ltd	544	26.87		0.085
Fairyoung Holdings Ltd	231	35.42		0.065
Fulbond Holdings Ltd	1041	15.79		0.066
Greater China Sci-tech Holdings Ltd	431	15.79		0.066
Hai Xia Holdings Ltd	384	15.83		1.61
Interchina Holdings Company Ltd	202	12.73		1.24
KEL Holdings Ltd	681	20.99		0.098
KG NextVision Company Ltd	516	14.13		0.105
LifeTech Group Ltd	1180	19.23		0.31
Luen Cheong Tai International Holdings Ltd	1190		10.94	0.114
Multifield International Holdings Ltd	898		18.03	0.25
Northern International Holdings Ltd	736	29.41		0.022
Proview International Holdings Ltd	334	13.04		1.04
Qualipak International Holdings Ltd	1224	11.11		0.50
S.A.S. Dragon Holdings Ltd	1184	14.01		0.65
Sinocan Holdings Ltd	1095		11.11	0.04
Soundwill Holdings Ltd	878	10.00		0.055
Starlite Holdings Ltd	403	18.52		0.32
U-Cyber Technology Holdings Ltd	91	12.20		0.46
UDL Holdings Ltd	620	16.67		0.07
Universal Appliances Ltd	419	13.64		0.10
Victory Group Ltd	1139	14.63		0.141
Winfoong International Ltd	63	21.11		0.218
Wonson International Holdings Ltd	651	18.97		0.069
Yau Lee Holdings Ltd	406		13.79	0.25

Mr Li Ka Shing's Cheung Kong (Holdings) Ltd announced that it was planning a flotation on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd of CK Life Sciences International (Holdings) Incorporated.

No date was set for the new, money-raising venture, however.

Cheung Kong was quick to tell its shareholders that it was none of their business that Cheung Kong (Holdings) was planning this float and, as such, there was no requirement to seek the approval of Cheung Kong's shareholders for the move.

Quite right, too!

On The GEM, last Monday, the trading situation was exactly the reverse to that of the Main Board.

The Growth Enterprise Index gave up about 0.71 percent of its value, falling back to 209.61 points on a reduced Total Turnover of about \$HK267.59 million.

The ratio of losers to gainers on this market was about 1.36:One, with 57 percent of all the counters, seeing either no movement in their share prices, at all, or seeing no trading activity.

As with the Main Board of The Stock Exchange of Hongkong Ltd, it was the morning session that saw nearly all of the action.

The most-active counters, in terms of share-price movement on this market, were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Argos Enterprise (Holdings) Ltd	8022	11.32		0.295
ERA Information and Entertainment Ltd	8043	13.36		0.28
Everpride Biopharmaceutical Company Ltd	8019		10.23	0.193
Grandmass Enterprise Solution Ltd	8108	13.21		0.06
Neolink Cyber Technology (Holdings) Ltd	8116		32.55	0.172
Systek Information Technology (Holdings) Ltd	8103	14.00		0.057
Vital BioTech Holdings Ltd	8193	11.11		0.40

In Japan, there was a very decided and obvious feeling of unrest in respect of the said-to-be recovery of the US economy.

Waning positive sentiment about the largest single economy of the world pulled down share prices as Japanese investors took a very bearish stance with regard to the near-term future of share prices on Asia's largest bourse.

The ratio of losers to gainers was 2.80:One.

In view of the widespread sell-off of hi-tech counters on New York's NASDAQ, the previous Friday, investors of the second-largest economy of the world sold off electronics, first, with many of them, taking quite a pounding:

Advantest	Down 3.58 percent to 8,350 yen per share
Canon	Down 2.23 percent to 4,820 yen per share
Casio	Down 2.03 percent to 578 yen per share
Fujitsu*	Down 1.56 percent to 886 yen per share
Hitachi*	Down 3.56 percent to 868 yen per share
JVC	Down 4.26 percent to 651 yen per share

Mitsubishi Electric*	Down 4.23 percent to 566 yen per share
NEC Corporation*	Down 2.26 percent to 910 yen per share
Nikon	Down 4.27 percent to 1,435 yen per share
Sony	Down 1.86 percent to 6,870 yen per share
Tokyo Electron	Down 2.17 percent to 8,550 yen per share
Toshiba Corporation	Down 2.06 percent to 523 yen per share

* Among the most-active counters of the day

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

Indonesia	Minus 1.24 percent to 537.14
Japan	Minus 1.68 percent to 11,336.95
Malaysia	Minus 0.32 percent to 783.06
The Philippines	Plus 0.20 percent to 1,353.50
Singapore	Minus 0.18 percent to 1,732.79
South Korea	Plus 0.48 percent to 821.89
Taiwan	Minus 1.11 percent to 5,742.66
Thailand	Minus 0.37 percent to 380.60

Tuesday

It looked, very much, that Wall Street would be following a similar pattern, last week, to that of the previous week, with a boomlet, followed by a bust.

That the stock markets of the US were very fragile would be to state the obvious, but few people had anticipated the early arrival of the boomlet of last Monday on largest stock markets of the world.

On The New York Stock Exchange, last Monday, New York time, the key index of blue chips, the Dow Jones Industrial Average, gained 169.74 points, equivalent to about 1.71 percent, ending the booming day at 10,109.66 points.

On the tech-laden NASDAQ, its Composite Index followed on with a gain of 51.69 points, equivalent to about 3.23 percent, running up to 1,652.54 points.

The runaway markets were responding, in part, to the view of some parties, who maintain that share prices on US markets had fallen too low, relative to earnings.

What earnings? And on what basis should one make such a determination: Before or after the big bust?

There was still a long way to go in the reporting season, and the shakeout in equity markets, as far as many US institutions were concerned, had not, yet, been completed.

Asia did not respond, last Tuesday, to Wall Street's bullish sentiments, however, unlike the previous week's trading pattern.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the pattern on trading on the 2 stock markets said it all.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up about 0.37 percent of its value, falling to 11,690.31 points on a Total Turnover of about \$HK8.22 billion.

Gainers edged out losers by the ratio of about 1.04:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.26 percent to \$HK96.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.20 percent to \$HK25.55 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.13 percent to \$HK68.50 per share
Kowloon Development Company Ltd (Code: 34)	Down 0.46 percent to \$HK4.30 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.04 percent to \$HK74.25 per share
Hikari Tsushin International (Code: 603)	Down 3.20 percent to 21.20 cents per share
Hutchison Harbour Ring Ltd (Code: 715)	Down 2.94 percent to 99 cents per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.50 percent to \$HK65.75 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Up 1.44 percent to \$HK10.60 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.55 percent to \$HK92.00 per share

The biggest mover of the day was China Bio-Medical Group Ltd (Code: 140), the share price of which rose 153.85 percent to 3.30 cents per share.

Daido Group Ltd (Code: 544) was the largest loser of the day as investors marked down its share price by 11.76 percent to 7.50 cents per share.

All in all, there was 31, double-digit movers, of which number, 29 double-digit movers rose 10 percent or more while just 2 of their number shed 10 percent or more.

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – the market's index, The Growth Enterprise Index, hardly moved for the entire trading session.

By the close of trading at 4 pm, The Index stood at 209.55 points, representing a loss of about 0.03 percent on the previous day's closing level.

Gainers and losers were separated by the chasm of just one counter – 39:38.

The Total Turnover of the day was about \$HK318.58 million in what could only be described as a very boring marketplace.

The double-digit movers on this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Multimedia Ltd	8061		11.30	0.204
AkuP International Holdings Ltd	8179	14.38		0.167
Cyber On-Air Group Company Ltd	8395	19.64		0.335
Intcera High Tech Group Ltd	8041	15.57		0.245
Panda-Recruit Ltd	8073	16.67		0.035
Rojam Entertainment Holdings Ltd	8075	16.24		0.136
techpacific.com Ltd	8088	15.38		0.075
Universal Technologies Holdings Ltd	8091	12.16		0.65

In Japan, the situation was not very different to that of the 2 stock markets of the HKSAR, but there was a considerable amount of news, flying round.

However, it did nothing to stimulate trading on Japan's 3 bourses.

On The Tokyo Stock Exchange, the premier bourse of The Land of The Rising Sun, the Nikkei-225 Stock Average put on a fractional amount, rising to 11,356.19 yen in very quiet trading conditions.

Gainers led decliners by 1.04: One.

Japan's largest telecommunications company, Nippon Telegraph and Telephone Corporation (NTT), announced that it had recorded the largest loss by a non-financial entity in the country, ever.

The company said that it had racked up losses of about \$US6.40 billion for its Financial Year, ended March 31, 2002.

NTT's share price fell another 1.45 percent to end the session at 477,000 yen.

Japan's leading motor-vehicle producer, Toyota Motor Corporation, announced that its Consolidated Net Profits for its 2001 Financial Year had risen by about 30.70 percent, Year-on-Year, to 615.80 billion yen.

The company's Consolidated Pretax Profits hit 1.113 trillion yen, a record level of any Japanese company, ever, to hit such a figure.

Toyota's share price rose 1.13 percent to 3,580 yen.

Mitsubishi Motors Corporation (MMC) posted an 11.30-billion-yen Consolidated Net Profit for its 2001 Financial Year.

It was the first time in 3 Financial Years that the company had not been writing its account books in red ink.

The share price of MMC rose 1.26 percent to 403 yen.

From Mitsubishi Pharmaceutical Corporation came news that its Net Profits Attributable to Shareholders had risen to 8.99 billion yen in the 2001 Financial Year, a gain of about 339.40 percent, Year-on-Year.

Toray Industries Incorporated, a manufacturer of synthetic fibres in Japan, said that it had suffered a Loss Attributable to Shareholders of about 3.80 billion yen for its Financial Year, ended March 31, 2002.

This result represented a reduction in its Bottom Line of about 77.60 percent, Year-on-Year.

Investors marked down the share price of this giant manufacturer by 2.24 percent to 349 yen.

Lastly, the Cabinet Office of the Government of Japan announced that core, private-sector orders for machinery fell about 6.20 percent in March, Month-on-Month.

For February, this year, there was a positive figure, the first positive figure in 3 months, to 6.30 percent over the January statistic.

The cash value of the March orders for machinery was put at about 779.90 billion yen, representing an unadjusted 22-percent decline, Year-on-Year.

(The orders for machinery exclude orders for ships and electric power generators.)

The statistics, the Government pointed out, would appear to indicate that the private sector was not expanding at any appreciable rate.

Things in Japan do not appear to be bubbling, to be sure.

In other Asian markets, last Tuesday, this was how the situation looked when investors determined to go home for the day:

Indonesia	Plus 0.28 percent to 538.62
Japan	Plus 0.17 percent to 11,356.19
Malaysia	Minus 0.07 percent to 785.51
The Philippines	Minus 0.44 percent to 1,347.54
Singapore	Plus 0.55 percent to 1,742.25
South Korea	Plus 1.88 percent to 837.37
Taiwan	Plus 0.23 percent to 5,755.92
Thailand	Plus 0.37 percent to 382.09

Wednesday

Unlike the previous week, Wall Street did not go into a slump after its boomlet, which kicked off the new trading week – but it continued with its boomlet into the second trading day.

That was enough for Asia as all but one of the major stock markets followed Wall Street's lead.

On The New York Stock Exchange, last Tuesday, the blue-chip Dow Jones Industrial Average put on 188.48 points, equivalent to about 1.86 percent, rising to 10,298.14 points.

As for the NASDAQ, its Composite Index went along with The Dow's ride, gaining about 4.03 percent, running up to 1,718.05 points.

Better-than-expected retail sales in the US were responsible for the continuation of Monday's boomlet on the world's largest stock market, according to most market watchers.

The US Commerce Department announced that retail sales during the month of April had risen by about 1.20 percent, Month-on-Month, with sales of motor vehicles, leading the way with a gain of about 1.90 percent.

What it is supposed to imply is that US consumers are out there, shopping their hearts out.

Whether or not this would continue was anybody's guess, but as one trader pointed out to TARGET: *'Who's countin?'*

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors took heart at the second day of the Wall Street boomlet since it appeared that the world's largest stock market would not be following the path of the previous week.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index gained about 1.27 percent, rising to 11,838.36 points.

The Total Turnover rose to about \$HK9.61 billion, with gainers, ahead of losers by the ratio of about 1.90:One.

Nearly all of the gains came in the morning session to 12:30 pm, with the 90-minute afternoon session, seeing only 6.56 points of the total gains of the day, of 148.05 points, coming in the late afternoon.

There was nothing happening of any note in the HKSAR with the markets, merely trying to play catch-up with Wall Street.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 1.04 percent to \$HK97.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.76 percent to \$HK26.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 2.19 percent to \$HK70.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 2.36 percent to \$HK76.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.28 percent to \$HK67.25 per share
China Resources Enterprise Ltd (Code: 291)	Up 5.36 percent to \$HK8.85 per share
PetroChina Company Ltd (Code: 857)	Up 1.95 percent to \$HK1.57 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Up 1.89 percent to \$HK10.80 per share
CITIC Pacific Ltd (Code: 267)	Up 2.87 percent to \$HK17.90 per share
Hutchison Harbour Ring Ltd (Code: 715)	Up 0.51 percent to 98 cents per share

There were a total of 31 counters that saw their share prices move more than 10 percent, with 22 counters, rising, and 9 counters, falling.

Millennium Sense Holdings Ltd (Code: 724) was the largest gainer of the day as its share price put on 29.48 percent to end the day at 22.40 cents per share.

China Bio-Medical Group Ltd (Code: 140) was, on the other hand, the biggest loser of the day as investors marked down its share price by 27.27 percent to 2.40 cents per share.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, however, things were not quite as positive as they were on the Main Board, although The Growth Enterprise Index did manage to make

a gain of about one half of a percentage point to hit 210.59 points by the close of trading at 4 pm.

The Total Turnover on this speculative market was about \$HK442.28 million, one of the highest turnovers of the year.

The ratio of gainers to losers was narrow, however, at about 1.17: One.

As with the Main Board, nearly all of the gains came in the morning session, to 12:30 pm.

The biggest movers on this market were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		18.00	0.082
Asian Information Resources (Holdings) Ltd	8025		17.02	0.078
AkuP International Holdings Ltd	8179	10.78		0.185
ERA Information and Entertainment Ltd	8043	19.40		0.40
Essex Bio-Technology Ltd	8151	10.53		0.42
Everpride Biopharmaceutical Company Ltd	8019	10.88		0.214
EVI Education Asia Ltd	8090		28.57	0.16
Intcera High Tech Group Ltd	8041		10.20	0.22
Neolink Cyber Technology (Holdings) Ltd	8116	10.78		0.185
Q9 Technology Holdings Ltd	8129	12.20		0.138
Rojam Entertainment Holdings Ltd	8075		11.76	0.12
Tradecasy Holdings Ltd	8163		10.61	0.59
Trasy Gold EX Ltd	8163	15.00		0.023

The largest stock market of Asia, however, was bubbling, for no other reason than being in synch with Wall Street.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average regained 286.78 yen of its value, running up to 11,642.97 yen.

The 2.53-percent improvement was due, almost entirely, to the Wall Street boomlet.

The ratio of gainers to losers was about 1.47:One.

While most electronics were strong, motors were mixed as the following TARGET list indicates:

Electronics

Advantest	Up 6.42 percent to 8,950 yen per share
Canon	Up 3.67 percent to 5,080 yen per share
Casio	Up 4.20 percent to 620 yen per share
Fuji Electric	Up 2.59 percent to 356 yen per share
Fujitsu*	Up 2.00 percent to 916 yen per share
Hitachi*	Up 3.55 percent to 905 yen per share

JVC	Up 2.20 percent to 651 yen per share
Konica	Up 4.90 percent to 878 yen per share
Kyocera	Up 5.35 percent to 9,450 yen per share
Mitsubishi Electric	Up 5.67 percent to 596 yen per share
NEC*	Up 2.67 percent to 924 yen per share
Nikon	Up 5.54 percent to 1,504 yen per share
Oki Electrical Industrial	Up 4.98 percent to 295 yen per share
Pioneer	Up 5.00 percent to 2,415 yen per share
Ricoh	Up 3.68 percent to 2,395 yen per share
Rohm	Up 2.21 percent to 19,410 yen per share
Sanyo Electric	Up 2.40 percent to 598 yen per share
Sharp	Up 2.38 percent to 1,810 yen per share
Sony	Up 2.73 percent to 7,150 yen per share
Tokyo Electron	Up 6.52 percent to 8,980 yen per share
Toshiba Corporation*	Up 4.17 percent to 549 yen per share

* Among the most active counters of the day

Motors

Daihatsu Motor	Unchanged at 553 yen per share
Hino Motors	Down 2.23 percent to 351 yen per share
Isuzu Motors*	Down 8.74 percent to 94 yen per share
Kawasaki Heavy Industrial*	Up 2.94 percent to 140 yen per share
Mazda*	Up 4.42 percent to 402 yen per share
Mitsubishi Motors	Up 1.99 percent to 411 yen per share

Nissan Motor*	Up 0.70 percent to 1,011 yen per share
Suzuki Motor	Up 2.41 percent to 1,572 yen per share
Toyota Motor	Down 0.56 percent to 3,560 yen per share
Yamaha Motor	Up 7.63 percent to 987 yen per share

* Among the most active counters of the day

Whether or not the bullish attitude would hold, throughout Asia, still remained to be seen, but it is noted that joy is quite contagious.

In other parts of Asia, this was how investor, working on the remainder of the stock markets, saw the situation:

Indonesia	Plus 0.05 percent to 538.89
Japan	Plus 2.53 percent to 11,642.97
Malaysia	Plus 0.16 percent to 786.75
The Philippines	Plus 0.75 percent to 1,357.66
Singapore	Plus 0.29 percent to 1,747.32
South Korea	Plus 3.02 percent to 862.62
Taiwan	Plus 2.69 percent to 5,910.69
Thailand	Minus 1.64 percent to 375.83

Thursday

As Wall Street stopped for a breather, last Wednesday, so did most of Asia's major stock markets, with the lone exception of Japan's premier bourse, which managed to consolidate its gains of earlier in the week.

Last Wednesday, on The New York Stock Exchange, the Dow Jones Industrial Average gave up 54.46 points, about 0.53 percent, to drop back to 10, 243.68 points.

As for the NASDAQ's Composite Index, it managed to continue to surprise some of the experts as it rose 6.51 points, or about 0.37 percent, to end the day at 1,725.56 points.

Profit-taking was, definitely, one of the factors that caused the temporary stop to the seeming bullishness of Monday and Tuesday, but there was, also, a great number of people who were not, completely, convinced that buying into equities was the way to go at this juncture.

In Asia, careful, careful, was the way that investors saw the situation.

The Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) saw investors of the Main Board of The Stock Exchange of Hongkong Ltd sit on their hands, for the most part.

As a result, the Hang Seng Index lost about 0.05 percent of its value, falling to 11,832.77 points.

The Total Turnover was about \$HK8.12 billion, with gainers, outperforming losers by the slim factor of about 1.03: One.

There had been little to stimulate trading on Asia's second-largest stock market for the first part of the week, in any event, with investors, simply following the lead of Wall Street.

So, when Wall Street stopped, so did the HKSAR markets, or nearly, anyway.

However, HKSAR investors were treated to a report from The Hongkong Trade Development Council (TDC) in respect of trade between the HKSAR and Japan with regard to garments.

According to the statistics, compiled by the TDC, the first quarter of this year had seen exports of garments to Japan fall to about \$HK2.75 billion, a 23-percent drop, Year-on-Year.

The Hongkong dollar is linked to the US dollar so that, as far as Japan is concerned, purchases of clothing from the territory are relatively more expensive due to foreign- exchange translation.

That that trade statistic shocked some people was, clearly, understood, but, logically, one has to expect such a fall-off in sales of exports from the HKSAR to the Southeast Asian Region due to the US dollar-Hongkong dollar linkage.

All this will pass, of course, in the fullness of time.

The Ten Most Actives on The Stock Exchange of Hongkong Ltd, last Thursday, were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK97.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.58 percent to \$HK25.85 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK70.00 per share
PetroChina Company Ltd (Code: 857)	Up 1.27 percent to \$HK1.59 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Unchanged at \$HK76.00 per share
Interchina Holdings Company Ltd (Code: 202)	Up 0.81 percent to \$HK1.25 per share
China Resources Enterprise Ltd (Code: 291)	Up 1.13 percent to \$HK8.95 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Up 1.85 percent to \$HK11.00 per share
Guo Xin Group Ltd (Code: 1215)	Unchanged at \$HK0.04 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.37 percent to \$HK67.50 per share

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Commercial Holdings Ltd	104	11.11		0.30
Can Do Holdings Ltd	172	13.04		0.052
China Sci-Tech Holdings Ltd	985	25.00		0.08
Dah Hwa International (Holdings) Ltd	600	10.08		0.131
Fortuna International Holdings Ltd	530	16.00		0.029
Gold Wo International Holdings Ltd	90	10.00		0.022
Great China Holdings Ltd	141	18.18		0.325
Hongkong Fortune Ltd	121	19.40		0.08
Hongkong Pharmaceutical Holdings Ltd	182	13.79		0.99

K.P.I. Company Ltd	605	18.75		0.095
Karl Thompson Holdings Ltd	7	21.43		0.34
Luen Cheong Tai International Holdings Ltd	1190	10.17		0.13
Mascotte Holdings Ltd	136		10.67	0.335
Northern International Holdings Ltd	736	14.29		0.024
Perennial International Ltd	725	14.04		0.325
Shanghai Allied Cement Ltd	1060	16.67		0.028
Sen Hong Resources Holdings Ltd	76	19.64		0.335
Shun Ho Technology Holdings Ltd	219		12.94	0.148
Skynet (International Group) Holdings Ltd	577	18.18		0.013
Skyworth Digital Holdings Ltd	751	12.66		0.89
SunCorp Technologies Ltd	1063	18.28		0.55
Vantage International (Holdings) Ltd	15		13.08	1.13
Veeko International Holdings Ltd	1173		10.18	0.203
Water Oasis Group Ltd	1161	16.34		1.78
Wo Kee Hong (Holdings) Ltd	720	17.86		0.132
Yoshiya International Corporation Ltd	193	22.50		0.245

It was a similar situation on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd as this market followed the general pattern of the Main Board, except that the losses were a little larger.

The Growth Enterprise Index shed 0.61 percent of its value, falling to 209.30 points on a Total Turnover of about \$HK290.26 million.

On this speculative marketplace, losers were ahead of gainers by the ratio of about 1.81: One.

Most of the action on this market was concentrated on the Ten Most Active counters, the aggregate value of their trades, being equal to about 64 percent of the entire volume of activity for the day.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131		12.20	0.072
Info Communication Holdings Ltd	8082		14.78	0.196
techpacific.com Ltd	8088	14.29		0.08

The Tokyo Stock Exchange saw the biggest upward movement in Asia, last Thursday, as investors were swamped by what appeared to be a plethora of news, some positive and some negative.

As a result, The Tokyo Stock Exchange's Nikkei-225 Stock Average gained another 0.82 percent, rising to 11,738.69 yen, taking the Nikkei-225 to a 2-month high.

Gainers were ahead of losers by about 6.30: One.

Some of the highlights of the many official announcements were:

- Yamaha Motor Company announced that it had posted a 2001 Group Net Profit Attributable to Shareholders of 9.50 billion yen, an increase of 25.30 percent, Year-on-Year. This company is a producer of motorcycles, boat engines, among other things;
- Mitsubishi Heavy Industries Ltd said that it had made a turnabout, with a Net Profit Attributable to Shareholders for its Financial Year, ended March 31, 2002, of 26.45 billion yen. In the previous Year, this company suffered a Loss Attributable to Shareholders of about 20.35 billion yen. Mitsubishi Heavy Industries makes power-generation systems and aerospace vehicles;

- Mazda Motor Corporation announced that it, too, had returned to profit. It said that its Consolidated Net Profits for the 2001 Year were 8.80 billion yen. In the previous Year, this company, the fifth-largest producer of motor cars in Japan, had lost about 155.20 billion yen;
- Fuji Heavy Industries Ltd, the producer of Subaru vehicles, said that it plans to cease production of railcars and bus bodies, both of which have been dragging down the Bottom Line for this company;
- Sales at Tokyo's departmental stores fell by about 4.80 percent in April, Year-on-Year, The Japan Department Stores Association said in its preliminary report. The report covers 28 stores, which are operated by 13 departmental stores in Tokyo's 23 wards;
- Trading house Mitsubishi Corporation announced that its 2001 Group Net Profits had fallen by about 34.60 percent, Year-on-Year. The company's Consolidated Net Profits were put at 60.23 billion yen, down from the record level of 92.11 billion yen for the 2000 Year;
- Itochu Corporation, another trading house in Japan, announced that its Group Net Profits had fallen 57.20 percent in the 2001 Year, ended March 31, 2002, compared with the 2000 Year. Group Net Profits were at 21.18 yen per share, down from 49.46 yen per share.
- Tomen Corporation, a major trading house in The Land of The Rising Sun, announced that its Group Net Profits had fallen 53.30 percent, Year-on-Year, to 4.71 billion yen for its Financial Year, ended March 31, 2002; and,
- Dentsu Incorporated, Japan's Number One advertising company, said that its 2001 Financial Year, ended March 31, 2002, had not been a good one, with Net Profits Attributable to Shareholders, having fallen 33.60 percent, Year-on-Year, to 27.46 billion yen.

And, in other parts of Asia, this was how the situation looked, last Thursday night:

Indonesia	Minus 1.70 percent to 529.74
Japan	Plus 0.82 percent to 11,738.69
Malaysia	Minus 0.05 percent to 786.38
The Philippines	Minus 0.14 percent to 1,355.74
Singapore	Minus 0.79 percent to 1,733.48
South Korea	Minus 0.53 percent to 786.38
Taiwan	Minus 1.85 percent to 5,801.47
Thailand	Plus 0.09 percent to 376.18

Friday

China Telecom (Hongkong) Ltd (Code: 941) was the talk of the day in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), last Friday, following a company announcement that sent the share price of this PRC telecommunications giant up nearly 5 percent in early trades.

China Telecom (Hongkong) announced that it was buying 8, PRC telephone networks from its parent company, a PRC Government-controlled entity, China Telecom, for about \$HK10.20 billion.

At the same time, the UK company, Vodafone plc, would pay about \$HK5.86 billion in order to increase its stake in China Telecom (Hongkong) to about 3.30 percent of the Issued and Fully Paid-Up Share Capital.

The excitement of the news clouded, no doubt, the fact that a number of companies would be 'born' in the British Virgin Islands and that such births, orchestrated by China Telecom (Hongkong), would mask some, if not much, of the affairs of China Telecom (Hongkong) Ltd.

Regardless, investors on the Main Board of The Stock Exchange of Hongkong Ltd seemed to like the news; China Mobile (Hongkong) Ltd became the most-active counter of the day.

Trades in China Mobile (Hongkong) accounted for about 15.19 percent of the Total Turnover on The Stock Exchange of Hongkong Ltd, which hit about \$HK10.40 billion by the close of trading.

China Mobile (Hongkong) finished the day at \$HK27.30 per share.

The Hang Seng Index gained 1.20 percent, rising to 11,974.61 points when the closing bell rang, signifying the end of trading for the week and the beginning of a 3-day holiday since last Monday was Buddha's Birthday and the HKSAR closed down in order to pay homage to this Indian mystic, who founded Buddhism at the age of 35 years.

The ratio of gainers to losers was 1.62: One.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Down 5.61 percent at \$HK27.30 per share
HSBC Holdings plc (Code: 5)	Unchanged at \$HK97.50 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.07 percent at \$HK70.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.00 percent at \$HK77.00 per share
Hung Hing Printing Group Ltd (Code: 450)	Up 5.88 percent at \$HK5.40 per share
Pacific Century CyberWorks Ltd (Code: 8)	Up 1.23 percent at \$HK2.05 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.11 percent at \$HK68.25 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Up 0.45 percent at \$HK11.05 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.27 percent at \$HK92.50 per share
Shandong International Power Development Company Ltd (Code: 1071)	Up 3.54 percent at \$HK2.05 per share

There were a total of 35 counters that saw their share prices move more than 10 percent, with 26 counters, rising, and 9 counters, falling.

Tack Fat Group International Ltd (Code: 928) was the largest gainer of the day as its share price put on 28.26 percent to end the day at 59 cents per share.

Magician Industries (Holdings) Ltd (Code: 526) was, on the other hand, the biggest loser of the day as investors marked down its share price by 23.33 percent to 13.80 cents per share.

For the week, therefore, the Hang Seng Index had gained 328.71 points, equivalent to 2.82 percent, over the previous week.

The Main Board of The Stock Exchange of Hongkong Ltd took little notice of Wall Street's activities, of last Thursday, in spite of the fact that prices rose moderately on the world's largest bourse.

On The New York Stock Exchange, last Thursday, the Dow Jones Industrial Average gained 45.53 points, equivalent to about 0.44 percent, ending the session at 10,289.21 points.

As for the NASDAQ, its Composite Index inched up by about 4.88 points, equal to about 0.28 percent, ending the day at 1,730.44 points.

Gap Incorporated, the largest retailer of specialised garments in the US, reported that it had experienced a 68-percent drop in earnings in its first quarter. However, it was in the black, the company was quick to explain.

Gap, based in San Francisco, California, operates The Gap, Old Navy and Banana Republic chains.

It earned \$US37 million for the fiscal quarter, ended May 4, 2002. That result compared with earnings of \$US115 million for the like 2001 period.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another quiet trading session as The Growth Enterprise Index put on 0.56 percent, ending the week at 210.48 points.

The Total Turnover on this market was about \$HK372.77 million, with losers, ahead of gainers by the ratio of 1.28: One.

The biggest movers on this market were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Acrontech Corporation	8097	30.83		1.74
CASH Financial Services Group Ltd	8122	11.67		0.67
iSteelAsia.com Ltd	8080	10.62		0.125
Vitop Bioenergy Holdings Ltd	8199	11.11		0.35

For the week, therefore, the tally was that The Growth Enterprise Index had gained all of 0.87 points, equivalent to 0.42 percent.

Japanese investors were treated to another day of rising prices on The Tokyo Stock Exchange, but the gains were, by and large, of a fractional nature, generally.

By the close of trading, last Friday, the Nikkei-225 Stock Average stood at 11,847.32 yen, an improvement of about 0.93 percent, compared with Thursday's close.

The ratio of gainers to losers, last Friday, was 1.38:One.

For the week, therefore, the Nikkei-225 Stock Average had gained 700.83 yen, equivalent to 6.29 percent over the previous week.

There were 3 announcements of note, last Friday, from publicly listed companies:

- Yamanouchi Pharmaceutical Company said that it had earned a Group Net Profit of 55.16 billion yen for Fiscal 2001. That result was an increase of about 36.70 percent over Fiscal 2000;
- Trader Nissho Iwai Corporation announced that its Group Net Profits for its Financial Year, to March 31, 2002, had fallen 94.10 percent, Year-on-Year, to 1.18 billion yen; and,
- Nissan Food Products Company announced that it had posted a Group Net Profit of 11.94 billion yen for Fiscal 2001, a result that indicated a deterioration of 21.50 percent for a Year earlier.

And that was, just about, that for the trading week, ended May 17, 2002.

This was the way that other Asian stock markets looked, last Friday:

Indonesia	Plus 0.35 percent to 531.57
Japan	Plus 0.93 percent to 11,847.32
Malaysia	Plus 0.19 percent to 787.85
The Philippines	Minus 0.45 percent to 1,349.63
Singapore	Plus 0.01 percent to 1,733.61
South Korea	Plus 1.98 percent to 875.03
Taiwan	Minus 0.20 percent to 5,789.84
Thailand	Plus 0.54 percent to 378.23

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