

U.S. JETS POUND IRAQI ANTI-AIRCRAFT SITES
WALL STREET GOES INTO FREE-FALL

With North American equity markets closed for the one-day, Labour Day Holiday, last Monday, Asia had to take a flyer as to what was likely to happen when they re-opened for business on Tuesday, September 3.

On the largest bourses in Asia, namely those of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) and Japan, in reverse order, there was no question about it: Investors sold them down.

Negative sentiment predominated throughout the most populace area of the world.

On The New York Stock Exchange, the previous Friday, August 30, the Dow Jones Industrial Average lost a mere 7.49 points, or about 0.19 percent, ending the week at 8,663.50.

On the NASDAQ, its Composite Index shed 20.92 points, equivalent to about 1.57 percent, ending the session at 1,314.85 points.

But on Friday, August 30, there was no talk to a unilateral attack on Iraq: That came on Sunday, September 1, when certain US senators spouted off, saying that the US could not wait for a coalition to be formed before taking definitive action.

These senators were suggesting a unilateral attack on Baghdad, the Capital City of Iraq, without delay, since Saddam Hussein had made it known, by innuendo, that the country did, in fact, have weapons of mass destruction.

Meanwhile, from Islamabad, Pakistan, General Pervez Musharraf, who seized power in the country a couple of years ago, promising general elections, which never came to pass, announced that Pakistan would not join any coalition with the US to attack Iraq.

President Musharraf said: *'I think it (an attack on Iraq) will have an adverse effect on the Islamic world and, also, in other parts (of the world).'*

Some of President George W. Bush's staunchest allies in the war against terrorism were, it seemed, deserting him in his determination *'to retire'*, forcibly, the leader of Iraq, Saddam Hussein.

However, the war clouds were gathering at a furious pace in the US homeland, with about 60 percent of the entire population of something in the neighbourhood of 280 million people, advocating an immediate attack on Iraq.

In the HKSAR, the suggestion of war was horrific since it was clear that it would send many economies, headed south – again.

And such mutterings came on the heels of some pretty poor economic prospects for most of the major countries of Asia.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index lost about 1.42 percent of its value, falling to 9,896.98 points on a Total Turnover of about \$HK4.16 billion.

Losers were ahead of gainers by the ratio of about 2.57:One.

Losses were right across the board: Few sectors of the market were spared.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.85 percent to \$HK87.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 2.09 percent to \$HK21.10 per share
BOC Hong Kong (Holdings) Ltd (Code: 2388)	Unchanged at \$HK8.40 per share
Sun Hung Kai Properties (Code: 16)	Down 1.78 percent to \$HK49.60 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.90 percent to \$HK51.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.35 percent to \$HK55.00 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.60 percent to \$HK83.25 per share
CLP Holdings Ltd (Code: 2)	Up 0.64 percent to \$HK31.60 per share
China Unicom Ltd (Code: 762)	Down 5.22 percent to \$HK5.45 per share
PCCW Ltd (Code: 8)	Down 5.00 percent to \$HK1.33 per share

The double-digit losers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21CN CyberNet Corporation Ltd	241	18.71		0.184
Beauforte Investors Corporation Ltd	21		18.18	2.70
Bestway International Holdings Ltd	718		13.64	0.019
Boto International Holdings Ltd	585		17.86	0.046
Can Do Holdings Ltd	172	25.64		0.049
CEC International Holdings Ltd	759	11.76		0.19
China Sci-Tech Holdings Ltd	985		15.09	0.045
China Star Entertainment Ltd	326		10.00	0.018
Companion Building Material International Holdings Ltd	432		11.11	0.016
Daido Group Ltd	544		15.56	0.038
Dynamic Holdings Ltd	29		12.28	2.50
Greater China Sci-Tech Holdings Ltd	431		10.53	0.017
Guo Xin Group Ltd	1215		11.76	0.015
HyComm Wireless Ltd	499		10.28	0.096
I-Wood International Holdings Ltd	162		11.63	0.38
i100 Ltd	616		11.49	0.077
Kessel International Holdings Ltd	2960	10.81		0.041
Mansion Holdings Ltd	547		13.04	0.02
MUI Hongkong Ltd	542		20.79	0.08
Oriental Explorer Holdings Ltd	430		10.00	0.036
Paladin Ltd	495	16.67		0.056

renren Holdings Ltd	2964		10.53	0.085
RNA Holdings Ltd	501		35.14	0.024
Shanghai Allied Cement Ltd	1060	14.29		0.016
Sen Hong Resources Holdings Ltd	76	11.11		0.50
South East Group Ltd	726	12.22		0.101
Theme International Holdings Ltd	990	25.00		0.035
Vision Tech International Holdings Ltd	922	19.27		0.26
Zhejiang Glass Company Ltd	739		13.22	1.05

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index fell to a new low of 139.79 points.

The lone Index of this market shed about 1.77 percent of its value, last Monday, as investors bailed out of some of the most-speculative companies, ever to be listed on an equity market in the HKSAR.

The ratio of losers to gainers was about 3.14:One.

The Total Turnover of the day was about \$HK84.10 million.

Mr Li Ka Shing's listings both had poor days as investors sold shares in large lumps of CK Life Sciences International (Holdings) Ltd (Code: 8222) and tom.com Ltd (Code: 8001).

By the time that the closing bell rang, the share price of CK Life Sciences had fallen to \$HK1.79, a loss of about 2 percent, compared with the previous close on Friday, August 30, while the share price of tom.com hit \$HK2.575, a one-day loss of about 3 percent.

The biggest losers of the day were reserved for the following counters, however:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Multimedia Ltd	8061		14.00	0.043
Asian Information Resources (Holdings) Ltd	8025		41.67	0.035
Billybala Holdings Ltd	8117	10.00		0.385
Chengdu Top Seci-Tech Company Ltd	8135		10.71	0.50
E-silkroad Holdings Ltd	8071	24.00		0.31
Proactive Technology Holdings Ltd	8089		13.89	0.062

In The Land of The Rising Sun, the key index of The Tokyo Stock Exchange continued to be pared as investors knocked down share prices on the premier Japanese equity market for the fifth consecutive day.

The Nikkei-225 Stock Average lost another 97.67 yen, falling to 9,521.63 yen.

The 1.02-percent loss on the Nikkei-225 Stock Average was brought about, in the main, by losses in heavyweight banks/finance houses, technology and motor counters.

The ratio of losers to gainers was about 4.66:One.

It was only too apparent that, as the week dragged on, share prices would continue to fall, rather quickly, on the second largest economy of the world.

Japan, as with the rest of Asia, was concerned at to what may happen between the US and Iraq since the first anniversary of the only major attack on US soil – September 11, 2001 – was only 9 days away.

There was a suggestion that the US may be timing its attack on Iraq for that fateful day.

In other parts of Asia, this was how other equity markets ended the day, last Monday:

Indonesia	Minus 0.83 percent to 439.98
Japan	Minus 1.02 percent to 9,521.63
Malaysia	Plus 0.29 percent to 713.40
The Philippines	Minus 0.46 percent to 1,098.29
Singapore	Minus 1.87 percent to 1,460.68
South Korea	Plus 2.12 percent to 751.98
Taiwan	Minus 2.53 percent to 4,644.58
Thailand	Minus 1.05 percent to 357.36

Tuesday

While North Americans were still sleeping, recovering, no doubt, from the one-day, Labour Day Holiday of last Monday, in Asia, investors determined that, when equity markets re-opened for business in North America, share price would be considerably lower on the largest bourses in the world.

There were a number of reasons for taking such a position: (1) The continuing threat of the US, launching an attack on Iraq, either unilaterally or with the blessings of its friends; (2) The strong probability that the US economy had stalled; and, (3) The weaknesses of most Asian economies, which rely very heavily on its exports to the US marketplace.

The drums of war in Washington, D.C., continued to beat, ever louder, with Senator Joseph Biden of Delaware, who is the Chairman of the Foreign Relations Committee, stating: *'If we wait for the danger to become clear, it could be too late.'*

Experts in the field of armaments in the US came out to state that Iraq has stockpiled tons of chemical weapons, sufficient to kill tens of thousands of people.

United Nations's weapons experts put Iraq's stockpiled chemical weapons at about 600 metric tonnes, which could be deployed by the use of some 25,000 rockets and 15,000 artillery shells.

US Defense Secretary Donald Rumsfeld has stated, on more than one occasion, that Iraq was in possession of mobile biological weapons laboratories, which would be nearly impossible for the US forces to target.

Meanwhile, US Vice President Dick Cheney is continuing to push for a pre-emptive strike on the heartland of President Saddam Hussein.

In the midst of such a cacophony of jingoism, every major stock market in Asia saw its indices pared, in some cases, by frightening amounts.

Japan led the way as The Tokyo Stock Exchange's Nikkei-225 Stock Average hit a 19-year low of 9,217.04 yen.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), The Stock Exchange of Hongkong Ltd had its Main Board's Hang Seng Index off by about 1.07 percent, ending the session at 9,790.68 points.

The Total Turnover was, once again, relatively low, at about \$HK4.59 billion, with losers, outpacing gainers by the ratio of about 2.33:One.

Only in the Utilities Section of the market were there any appreciable gains, with the Finance Section, seeing its Sectorial Index surrender about 1.19 percent of its value.

The Ten Most Active counters of the day were:

HSBC Holdings plc (Code: 5)	Down 1.42 percent to \$HK86.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 2.61 percent to \$HK20.55 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.01 percent to \$HK49.10 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.48 percent to \$HK51.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.45 percent to \$HK55.25 per share
Tracker Fund of Hongkong (Code: 2800)	Down 1.00 percent to \$HK9.95 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.30 percent to \$HK83.00 per share
Li and Fung Ltd (Code: 494)	Down 3.59 percent to \$HK8.05 per share
BOC Hong Kong (Holdings) Ltd (Code: 2388)	Down 1.19 percent to \$HK8.30 per share
PCCW Ltd (Code: 8)	Down 2.26 percent to \$HK1.30 per share

The share price of PCCW hit a record low at \$HK1.30, but, during the height of the morning session, it hit \$HK1.29 per share.

This company, controlled obliquely by Mr Li Ka Shing, is set to sack more workers as it continues to struggles to free itself from its mountains of debt.

Management continues to state, categorically, that it has no intention of pitching a Rights Issue.

The largest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asia Standard Hotel Group Ltd	292	24.67		0.187
Chevalier Construction Holdings Ltd	579	13.33		0.068
Chevalier iTech Holdings Ltd	508		47.37	0.10
CIL Holdings Ltd	479	12.50		0.027
Dynamic Global Holdings Ltd	231		11.76	0.03
ehealthcareasia Ltd	835		13.64	0.095
Global China Technology Group Ltd	1105	20.29		0.415
Gold Wo International Holdings Ltd	2966		62.00	0.076
Greater China Sci-Tech Holdings Ltd	431		11.76	0.015
Harmony Asset Ltd	428		16.00	0.042
HyComm Wireless Ltd	499		13.54	0.083
Kessel International Holdings Ltd	2960	12.20		0.046
Lai Fung Holdings Ltd	1125		12.82	0.102
Lai Sun Development Company Ltd	488		14.46	0.071
Lai Sun Garment (International) Ltd	191		14.65	0.169

Magnificent Estates Ltd	201		10.53	0.017
Mansion House Group Ltd	376		16.67	0.20
Mascotte Holdings Ltd	136	25.00		0.45
Medtech Group Company Ltd	1031		15.38	0.011
MUI Hongkong Ltd	542		38.75	0.049
New World CyberBase Ltd	276		12.00	0.022
renren Holdings Ltd	2964		22.35	0.066
RNA Holdings Ltd	501		16.67	0.02
Sen Hong Resources Holdings Ltd	76		20.00	0.40
Shanxi Central Pharmaceutical International Ltd	327		10.71	0.05
Soundwill Holdings Ltd	878		25.00	0.03
Star East Holdings Ltd	198		16.00	0.021
Starbow Holdings Ltd	2959		23.08	0.02
Terabit Access Technology International Ltd	491		12.50	0.014
Theme International Holdings Ltd	990		11.43	0.031
Yau Lee Holdings Ltd	406		10.71	0.25

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the lone index, The Growth Enterprise Index, hit a new low of 137.38 points.

Losing counters swamped gaining ones by the ratio of 1.50:One.

The Total Turnover rose to about \$HK106.44 million, as one counter after another came under heavy fire.

Mr Li Ka Shing's 2 listings, CK Life Sciences International (Holdings) Ltd (Code: 8222) and tom.com Ltd (Code: 8001), both lost ground, with tom.com, shedding about 6 percent of its market value, falling to \$HK2.425 per share, while CK Life Sciences surrendered another 2 percent of its share value, falling to \$HK1.76.

The double-digit movers of the day, all losers, by the way, were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Arcontech Corporation	8097		10.00	0.405
EVI Education Asia Ltd	8090		12.50	0.028
Panva Gas Holdings Ltd	8132		10.14	3.325

News wise, Rupert Murdoch's Phoenix Satellite Television Holdings Ltd (GEM Code: 8002) announced that it had been told that approval had been granted for it to broadcast to Taiwan its 24-hour news service.

The Chief Executive Officer of Phoenix Satellite Television, Mr Liu Changle, told a Taiwanese newspaper: *'Taiwan has already approved the entry of Phoenix Satellite Television.'*

The Taiwan Government confirmed Mr Changle's remarks.

In Tokyo, investors were shocked to see share prices tumble out of bed: The Nikkei-225 Stock Average, the *'barometer'* of trading on The Tokyo Stock Exchange, fell 304.59 yen, hitting a 19-year low of 9,217.04 yen by the close of trading.

Nagging concerns about the recovery of the second-largest economy of the world, plus the talk of war between Iraq and the US were said to be the main reasons for the fall-off in share prices.

The ratio of losers to gainers was at what appeared to be a record of just a tad off 17:One.

The share prices of banking/finance houses/stockbrokerages were among the hardest hit of the day in a market that sent shivers down the spines of many investors and stockbrokers.

Aside from the financial heavyweights, however, electronics and motors did not get off, lightly:

Banks/Finance Houses/Stockbrokerages

Daiwa Bank*	Down 4.71 percent to 81 yen per share
Daiwa House	Down 5.68 percent to 648 yen per share
Daiwa Securities*	Down 4.52 percent to 570 yen per share
Kokusai Securities	Down 4.50 percent to 636 yen per share
Mitsui Trust	Down 7.12 percent to 248 yen per share
Mitsubishi Tokyo Financial Group	Down 6.92 percent to 740,000 yen per share
Mizuho Holdings	Down 9.24 percent to 226,000 yen per share
New Japan Securities	Down 5.46 percent to 173 yen per share
Nikko Cordial*	Down 4.91 percent to 465 yen per share
Nomura Holdings*	Down 6.33 percent to 1,421 yen per share
Sumitomo Mitsui Banking*	Down 7.95 percent to 556 yen per share
Sumitomo Trust	Down 8.78 percent to 457 yen per share
UFJ	Down 6.08 percent to 247,000 yen per share

* Among the most active counters of the day

Electronics

Advantest	Down 5.44 percent to 5,390 yen per share
Canon	Down 3.00 percent to 3,880 yen per share
Casio	Down 3.25 percent to 596 yen per share
Fuji Electric	Down 2.11 percent to 279 yen per share
Fujitsu	Down 2.08 percent to 613 yen per share
Furukawa Electric*	Down 3.46 percent to 307 yen per share
Hitachi*	Down 2.87 percent to 610 yen per share

Konica	Down 3.21 percent to 723 yen per share
Matsushita Electrical Industrial*	Down 4.39 percent to 1,350 yen per share
Minolta	Down 5.66 percent to 300 yen per share
Mitsubishi Electric	Down 2.74 percent to 390 yen per share
NEC*	Down 2.03 percent to 627 yen per share
Oki Electrical Industrial	Down 3.85 percent to 225 yen per share
Pioneer	Down 4.11 percent to 1,985 yen per share
Ricoh	Down 2.14 percent to 2,055 yen per share
Sanyo Electric	Down 3.22 percent to 451 yen per share
Sharp	Down 2.20 percent to 1,199 yen per share
Sumitomo Electric	Down 3.38 percent to 715 yen per share
TDK	Down 2.29 percent to 5,120 yen per share
Tokyo Electron	Down 2.23 percent to 5,250 yen per share
Toshiba Corporation*	Down 3.25 percent to 387 yen per share

* Among the most active counters of the day

Motors

Daihatsu Motor	Down 1.47 percent to 403 yen per share
Hino Motors	Down 4.88 percent to 273 yen per share
Honda	Down 2.23 percent to 4,830 yen per share
Isuzu Motors	Down 3.13 percent to 62 yen per share
Mazda	Down 2.96 percent to 295 yen per share
Suzuki Motor	Down 5.05 percent to 1,204 yen per share
Toyota Motor	Down 2.09 percent to 2,810 yen per share
Yamaha Motor	Down 1.76 percent to 894 yen per share

* Among the most active counters of the day

Tokyo took the cake as being the biggest loser of the day, but all of Asia's leading markets suffered to some degree as the following TARGET table illustrates:

Indonesia	Minus 2.27 percent to 429.98
Japan	Minus 3.20 percent to 9,217.04
Malaysia	Minus 0.06 percent to 712.95
The Philippines	Minus 0.02 percent to 1,098.09
Singapore	Minus 0.39 percent to 1,454.92
South Korea	Minus 1.51 percent to 740.59
Taiwan	Minus 1.22 percent to 4,588.06
Thailand	Minus 0.50 percent to 355.59

Wednesday

Wall Street went into free-fall on its first day of trading, last week.

Last Tuesday, the Dow Jones Industrial Average shed 355.45 points, equivalent to about 4.11 percent, as it hit 8,308.05 by the close of the day.

As for the NASDAQ, its Composite Index surrendered 51.01 points, equivalent to about 3.88 percent, hitting 1,263.84 points when the doors closed for the day.

The Iraqi situation continued to put a damper on trading on the largest stock market in the world.

The *'word'* was that war was imminent.

Europe followed Wall Street as the following abbreviated TARGET list of major bourses in Europe tells the tale:

Great Britain	FTSE 100	Down 3.64 percent to 4,028.60 points
France	CAC 40	Down 4.47 percent to 3,126.60 points
Germany	Xetra DAX	Down 5.08 percent to 3,426.12 points
Italy	MIBtel	Down 3.21 percent to 17,985.00 points
Spain	IBEX-35	Down 3.14 percent to 9,141.90 points
Switzerland	Swiss Market	Down 3.57 percent to 4,913.90 points

Asia, noting what was happening in the rest of the world, stopped to take a breather, wondering whether or not last Tuesday's sell-off was a short-term, psychological problem, or the shape of things to come.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), it appeared that the 2 stock markets were just marking time.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained 0.30 percent, ending the session at 9,820.33 points.

The Total Turnover was about \$HK5.90 billion, with gainers, edging out losers by the ratio of about 1.03: One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.58 percent to \$HK86.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Unchanged at \$HK20.55 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.81 percent to \$HK56.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.34 percent to \$HK50.25 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.97 percent to \$HK52.00 per share
CLP Holdings Ltd (Code: 2)	Up 0.95 percent to \$HK31.90 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.60 percent to \$HK83.50 per share
Hongkong Electric Holdings Ltd (Code: 6)	Up 1.94 percent to \$HK31.60 per share
BOC Hong Kong(Holdings) Ltd (Code: 2388)	Up 0.60 percent to \$HK8.35 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Up 2.45 percent to \$HK10.45 per share

It seemed only too apparent that there were vested interests, standing in the market.

Mr Li Ka Shing, the richest man who ever walked on 2 feet, announced that he would be picking up 2 million shares in Cheung Kong (Holdings) Ltd for \$HK114 million – that is, about \$HK57 per share.

Meanwhile, Mr Li Ka Shing's PCCW Ltd (Code: 8) hit a new closing low of \$HK1.29 per share, down about 0.77 percent on the day.

SCMP Group Ltd (Code: 583), once considered among the best publishers of newspapers in the HKSAR, announced its Interim Results for the 6 months, ended June 30, 2002.

The company said that its Net Profits Attributable to Shareholders stood at about \$HK86.10 million, as at June 30.

This is down nearly 7 percent compared with the same period in 2001.

However, the company, also, reported that about \$HK11.21 million of the Bottom Line had been created by the sale of subsidiaries.

Subtracting the one-off sales put the Bottom Line at about \$HK74.89 million, which is off by about 19.06 percent, Year-on-Year.

The Interim Dividend was halved to 4 cents per share.

The biggest movers on the Main Board, last Wednesday, included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
139 Holdings Ltd	139		13.33	0.013
Bossini International Holdings Ltd	592		10.00	0.36
CATIC International Holdings Ltd	232	12.06		0.158
Chevalier iTech Holdings Ltd	508	42.00		0.142
Daido Group Ltd	544	13.89		0.041
Earnest Investments Holdings Ltd	339		11.76	0.015
Emperor (China Concept) Investment Ltd	2963		24.80	0.188
Fortuna International Holdings Ltd	530		20.00	0.016
G-Prop (Holdings) Ltd	286	11.76		0.019
Greater China Sci-Tech Holdings Ltd	431		13.33	0.013
Hanny Holdings Ltd	275	15.00		0.046
HSBC China Fund Ltd, The	504		10.87	2.05
I-Wood International Holdings Ltd	162	13.16		0.43
Joyce Boutique Holdings Ltd	647		13.56	0.102
Kessel International Holdings Ltd	2960		10.87	0.041
KTP Holdings Ltd	645		10.34	0.26
Lai Sun Development Company Ltd	488	12.68		0.08
Multifield International Holdings Ltd	898		12.09	0.16
RNA Holdings Ltd	501	10.00		0.022
Shun Cheong Holdings Ltd	650	10.26		0.086
Terabit Access Technology International Ltd	491	42.86		0.02
Sun's Group Ltd, The	988	13.64		0.025
Theme International Holdings Ltd	990	19.35		0.037

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index lost another 0.24 percent of its value, ending the day at a new low of 137.05 points.

The Total Turnover dropped back to \$HK82.72 million, with losers ahead of gainers by the ratio of about 2.53:One.

Phoenix Satellite Television Holdings Ltd (Code: 8002) announced that it had lost about \$HK200 million for the Interim Period, ended June 30, 2002.

That result compared with the 2001 Bottom Line of a Net Profit Attributable to Shareholders of about \$HK53.98 million.

It did not go down well with shareholders, who marked down the share price by about 7.35 percent to 63 cents per share.

This Rupert Murdoch GEM listing is starting to disappoint investors since, in spite of the fact that it is the largest television broadcaster to both the PRC, proper, and, soon to be in Taiwan, also, its Turnover and Bottom Line continue to fall.

For the first half of this Financial Year, the Turnover was about \$HK685.04 million, down about 4 percent, Year-on-Year.

The double-digit movers, both losers, by the way, on The GEM included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
-----------------	------	--------------	--------------	----------------------

iLink Holdings Ltd	8107		10.91	0.049
ITE (Holdings) Ltd	8092		17.65	0.14

In Japan, The Tokyo Stock Exchange's Nikkei-225 Stock Average hit its lowest level since August 1983: 9,075.09 yen, down about 1.54 percent, compared with Tuesday's close.

Japan, which is very dependent on the sales of its goods and services to the US, saw what was taking place in the US – and reacted, accordingly.

Losers were far ahead of gainers by the ratio of about 7.72:One.

Banks/Finance Houses/Stockbrokerage counters took it on the nose, so to speak, as the following TARGET list indicates:

Daiwa Bank*	Down 6.17 percent to 76 yen per share
Daiwa Securities*	Down 2.46 percent to 556 yen per share
Kokusai Securities	Down 2.99 percent to 617 yen per share
Mitsubishi Tokyo Financial Group	Down 3.92 percent to 711,000 yen per share
Mizuho Holdings	Down 5.75 percent to 213,000 yen per share
New Japan Securities	Down 2.89 percent to 168 yen per share
Nikko Cordial*	Down 2.58 percent to 453 yen per share
Nomura Holdings*	Down 2.46 percent to 1,386 yen per share
Sumitomo Mitsui Banking*	Down 7.55 percent to 514 yen per share
Sumitomo Trust*	Down 4.38 percent to 437 yen per share
UFJ	Down 7.29 percent to 229,000 yen per share

* Among the most active counters of the day

While there were some material losses in select motors and electronics, nothing compared with the 'haircuts', given to the finance section of the premier Japanese bourse.

Takenaka Corporation, a major, Osaka-based construction company, announced that it had lost about 2.50 billion yen for the first half of its Financial Year.

This is the first time since the end of World War II that it has suffered a loss for any period.

In other Asian stock markets, this was the way that things ended, last Wednesday night:

Indonesia	Minus 2.22 percent to 420.44
Japan	Minus 1.54 percent to 9,075.09

Malaysia	Minus 0.72 percent to 707.85
The Philippines	Plus 1.45 percent to 1,113.96
Singapore	Plus 0.18 percent to 1,457.48
South Korea	Minus 2.37 percent to 723.05
Taiwan	Minus 1.18 percent to 4,534.15
Thailand	Minus 1.03 percent to 351.94

Thursday

US President George W. Bush turned to the US Congress for approval of his avowed intent to rid the world of President Saddam Hussein of Iraq.

And the drums of war continued to beat, ever louder.

Following a meeting with US Congressional leaders at the White House, President Bush said:

‘... Saddam Hussein is a serious threat. He is a significant problem and something the country must deal with ... Doing nothing about that serious threat is not an option for the United States ...’.

The President, also, put certain European leaders on notice, suggesting that they either had to put up – or shut up.

On The New York Stock Exchange, investors seemed to have accepted the inevitable: War would, surely, come, in one form or another.

However, that did not stop bargain hunters from moving in for what they thought would be a short-term kill.

‘Look,’ as one trader put it, *‘a one-day profit is still a profit!’*

As a result, the Dow Jones Industrial Average moved up 117.07 points, equivalent to about 1.41 percent, running back to 8,425.12 points.

On the NASDAQ, its Composite Index recovered 28.47 points, or about 2.25 percent, ending the day at 1,292.31 points.

Asia sat back and watched: It had all happened before; and, the outcome was well known.

War between Iraq and the US would come, without question, but it was the form and extent that were the unknown factors.

And September 11, the first anniversary of the one and only major attack on US soil was only 6 days away.

In the Hongkong Special Administrative Region (HKSAR) of the People’s Republic of China (PRC), investors continued to sell stocks and shares, fearing for the worst.

On The Stock Exchange of Hongkong Ltd, both stock markets lost nearly one percent, each.

The Main Board’s Hang Seng Index shed 0.96 percent, falling back to 9,726.03 points as retreating counters crushed advancing ones by the ratio of about 1.82:One.

The Total Turnover was about \$HK5.13 billion.

The Ten Most Actives of the day were:

HSBC Holdings plc (Code: 5)	Down 0.58 percent to \$HK85.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.22 percent to \$HK20.30 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.92 percent to \$HK51.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.78 percent to \$HK55.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.09 percent to \$HK49.70 per share
CLP Holdings Ltd (Code: 2)	Up 0.94 percent to \$HK32.20 per share
Hongkong Electric Holdings Ltd (Code: 6)	Unchanged at \$HK31.60 per share
China Unicom Ltd (Code: 762)	Up 0.93 percent to \$HK5.45 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Down 0.96 percent to \$HK10.35 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.30 percent to \$HK83.25 percent

One of Mr Li Ka Shing's listed companies announced its Interim Results for the 6 months, ended June 30, 2002.

PCCW Ltd (Code: 8) reported that it had lost about \$HK713 million for the first half of the Year on a Turnover of about \$HK10.20 billion.

The Result compared with the like 2001 period when the company reported a Net Profit Attributable to Shareholders of about \$HK935 million on a Turnover of about \$HK11.31 billion.

PCCW must be considered one of the nemeses of The Great Man.

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21CN CyberNet Corporation Ltd	241	28.42		0.244
Asia Tele-Net and Technology Corporation Ltd	679	16.67		0.014
Chevalier iTech Holdings Ltd	508	12.68		0.16
China Sci-Tech Holdings Ltd	985	21.43		0.051
Earnest Investments Holdings Ltd	339	20.00		0.018
Euro-Asia Agricultural (Holdings) Company Ltd	932		14.94	0.74
Guangdong Tannery Ltd	1058	10.00		0.22
Hanny Holdings Ltd	275		13.04	0.04
Kessel International Holdings Ltd	2960		14.63	0.035
Mansion Holdings Ltd	547		15.79	0.016
MAXX Bioscience Holdings Ltd	512		10.31	0.20
Millennium Group Ltd	260	10.58		0.115
Ming Fung Jewellery Group Ltd	860		16.88	0.32
QUAM Ltd	952	14.29		0.016

renren Holdings Ltd	2964		13.11	0.053
SC Industrial Development Company Ltd	554	11.11		0.35
Shougang Concord Technology Holdings Ltd	521	10.34		0.64
Tanrich Financial Holdings Ltd	812		12.99	0.67
Terabit Access Technology International Ltd	491	10.00		0.022
Sun Group Ltd, The	988	12.00		0.028
Truly International Holdings Ltd	732		15.79	2.00
Vision Tech International Holdings Ltd	922		17.65	0.21
Winfoong International Ltd	63	14.67		0.172
Yau Lee Holdings Ltd	406	10.00		0.275

As for The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, its Growth Enterprise Index shed another one percent of its value, exactly, hitting a new low of 135.68 points.

The market closed at its lowest point, indicating that lower levels were on the cards, for sure: Investors had lost heart with the rubbish companies, listed on this bourse.

The Total Turnover on this speculative marketplace was about \$HK84.38 million, with losers outnumbering gainers by the ratio of about 2.68:One.

Mr Li Ka Shing's GEM listings, CK Life Sciences International (Holdings) Ltd (Code: 8222) and tom.com Ltd (Code: 8001), both lost substantial ground, with CK Life Sciences, shedding 2 percent of its market capitalisation, falling back to \$HK1.78 per share, while tom.com Ltd gave up about 4 percent of its share value, dropping to \$HK2.325.

The largest movers of the day were reserved for the following counters, however:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025	22.86		0.043
Grandy Applied Environmental Technology Corporation	8143		23.01	0.087
iLink Holdings Ltd	8107		10.20	0.044
Sonavox International Holdings Ltd	8226		11.39	0.35
Timeless Software Ltd	8028	16.18		0.28

In Japan, the premier stock market of The Land of The Rising Sun reversed its 7-day losing streak.

The Tokyo Stock Exchange's key index, the Nikkei-225 Stock Average, put on 147.03 yen, equivalent to 1.62 percent, rising to 9,222.12 yen.

Share prices of both banks and electronics led the charge to higher levels, following the drubbings of the previous 7 trading days.

However, the gains were contained, to a very great extent, making one think that, perhaps, the market's move to higher levels might well be short-lived.

The ratio of gainers to losers was about 3.76:One.

And, in other parts of Asia, this was how those bourses closed for the day:

Indonesia	Plus 1.59 percent to 427.11
Japan	Plus 1.62 percent to 9,222.12
Malaysia	Minus 0.27 percent to 705.95

The Philippines	Plus 0.40 percent to 1,118.45
Singapore	Minus 0.67 percent to 1,447.77
South Korea	Minus 0.29 percent to 720.98
Taiwan	Minus 1.65 percent to 4,459.37
Thailand	Minus 0.54 percent to 350.05

Friday

The Central Command of the US Government announced that coalition forces had attacked targets in Iraq.

The first shot had been fired in what was, surely, to be an all-out offensive against one of the targets of what US President George W. Bush has called the '*Axes of Evil*': Saddam Hussein's Iraq.

The attack on Iraqi soil, which was located southwest of the Capital City of Baghdad, was in response to a barrage of anti-aircraft fire on the coalition fighter jets, patrolling the no-fly zone.

This is the first time in the past year or so that US Naval jets have been used in an air strike in Operation Southern Watch.

Wall Street reacted in the usual way: Investors sold stocks and shares as quickly as buyers could be found.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 141.42 points, equivalent to about 1.68 percent, dropping back to 8,283.70 points.

On the NASDAQ, its Composite Index gave up 41.43 points, or about 3.20 percent, hitting 1,251 points by the close of the day.

The situation looked ominous – and Asia was well aware of it, too.

On The Stock Exchange of Hongkong Ltd, investors were very wary, but trading was very restrained.

The Main Board's Hang Seng Index lost about 0.05 percent of its value, falling to 9,720.86 points by the time that the bell rang, signifying the end to trading for the week.

Investors were concerned that, over the weekend, anything could happen with regard to the tinderbox that was called Iraq.

The Total Turnover for the day was about \$HK5.81 billion, with losers outpacing gainers by the ratio of 1.62:One.

The Ten Most Active counters of the day were:

HSBC Holdings plc (Code: 5)	Down 0.58 percent to \$HK85.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.74 percent to \$HK20.15 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.45 percent to \$HK55.50 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.49 percent to \$HK51.25 per share

CLP Holdings Ltd (Code: 2)	Up 1.55 percent to \$HK32.70 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.20 percent to \$HK49.60 per share
Hongkong Electric Holdings Ltd (Code: 6)	Up 1.27 percent to \$HK32.00 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.30 percent to \$HK83.00 per share
Cathay Pacific Airways Ltd (Code: 293)	Down 4.44 percent to \$HK10.75 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Up 1.45 percent to \$HK10.50 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
China Everbright Ltd	165		10.91	2.45
China Investments Holdings Ltd	132	17.19		0.375
Coastal Realty Group Ltd	1124		10.29	0.061
Companion Building Material International Holdings Ltd	432	12.50		0.018
Earnest Investments Holdings Ltd	339		11.11	0.016
Gay Giano International Group Ltd	686	16.67		0.105
Great Wall Cybertech Ltd	689	16.67		0.014
Guangdong Tannery Ltd	1058	13.64		0.25
Jackley Holdings Ltd	353	11.86		0.33
Magnificent Estates Ltd	201		12.50	0.014
Magnum International Holdings Ltd	305	10.78		0.113
MUI Hongkong Ltd	542	33.33		0.064
QUAM Ltd	952		18.75	0.013
SC Industrial Development Company Ltd	554	11.43		0.39
Sen Hong Resources Holdings Ltd	76	10.00		0.44
Shun Ho Technology Holdings Ltd	219	16.22		0.172
Soundwill Holdings Ltd	878		21.88	0.025
Swank International Manufacturing Company Ltd	663	16.18		0.079
Terabit Access Technology International Ltd	491	13.64		0.025
Veeko International Holdings Ltd	1173		10.00	0.09

For the week, therefore, the Hang Seng Index had lost 323.01 points, or about 3.22 percent of its value.

A final point about the Main Board was that Mr Li Ka Shing's PCCW Ltd (Code: 8), the largest, fixed telephone-line operator in the HKSAR, had seen its share price drop to a new low of \$HK1.28.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the Growth Enterprise Index edged closer to the 100-level, after losing about 1.60 percent of its value, during last Friday's trading day.

The Growth Enterprise Index ended the week at 133.51 points, representing a loss for the 5 trading days of about 6.18 percent.

The Total Turnover of last Friday was about \$HK63.97 million, the lowest volume of activity of the week.

The ratio of losers to gainers was, exactly, 3:One.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Grandy Applied Environmental Technology Corporation	8143	11.49		0.097
Panorama International Holdings Ltd	8173		18.67	0.061
PINE Technology Holdings Ltd	8013		19.09	0.089
Sing Lee Software (Group) Ltd	8076		11.11	0.56
Sino Stride Technology (Holdings) Ltd	8177	10.00		0.33

Mr Li Ka Shing's 2 GEM listings, CK Life Sciences International (Holdings) Ltd (Code: 8222) and tom.com Ltd (Code: 8001), both lost 2 percent of their respective market capitalisations, with CK Life Sciences, ending the day at \$HK1.75 per share, and tom.com, seeing its share price fall to \$HK2.275.

In Japan, investors saw another 1.01 percent shaved off the key index of The Tokyo Stock Exchange, the Nikkei-225 Stock Average, which closed out the week at 9,129.07 yen.

During the morning session, the Nikkei-225 Stock Average cut through the 9,000-yen mark, and investors were expecting it to revisit that level in the coming week.

For the week, ended September 6, therefore, the Nikkei-225 Stock Average had lost about 5.10 percent of its value.

Needless to say, Japan was the biggest loser of all Asian stock markets, during the 5-day trading week.

All sections of the market were hit, hard, last Friday, as it was only too clear to Japanese investors that, aside from the fact that the second-largest economy of the world was going nowhere, fast, the prospects of an outright invasion on Iraq by US armed forces and *'friends'* raised other major economic questions as to the probability that the US economy could stall, or retreat, before the last bullet/missile had been fired.

Strengthening this suggestion, of more problems on the horizon for Japan, was a report, emanating from the Japanese Finance Ministry, which stated that capital spending in The Land of The Rising Sun, by companies in all industries, dropped by about 15.50 percent in the quarter, ended June 30, 2002, Year-on-Year.

Translation: There is little call for Japan's industries to increase production because consumers and trading partners are not much interested in increasing orders for goods and services, produced by Japan's companies.

On this dour note, Asia looked on and wondered what the morrow would bring, with just 5 days left before the first anniversary of the attack on the twin towers of the World Trade Center and The Pentagon.

There had been many suggestions, some very pointed and having been confirmed by the US Central Intelligence Agency, that US military and civilian installations, worldwide, could be targeted by the forces of Saddam Hussein/Osama bin Laden, in the coming week.

This is the way that other Asian markets ended the week of September 6, 2002:

Indonesia	Plus 0.16 percent to 427.80
Japan	Minus 1.01 percent to 9,129.07
Malaysia	Minus 1.68 percent to 694.09
The Philippines	Plus 0.26 percent to 1,121.31
Singapore	Minus 0.36 percent to 1,442.58

South Korea	Minus 1.70 percent to 708.73
Taiwan	Closed
Thailand	Plus 1.00 percent to 353.55

-- E N D --

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

If readers feel that they would like to voice their opinions about that which they have read in TARGET, please feel free to e-mail your views to editor@targetnewspapers.com or targnews@hkstar.com. TARGET does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.