

THE DOGS OF WAR STRAIN AT THEIR LEASHES

The only key index of any Asian stock market not to sink, last Monday, was the Djakarta Stock Exchange – and it only managed to make a fractional gain, at that.

The world was gripped by the threat of war between the US and Iraq.

It was accepted the Great Britain would side with the US when a shooting war broke out and that Israel would use its military might should President Saddam Hussein of Iraq launch missiles at the Jewish State, but the nagging question was: Which military power would back the rogue Muslim, Middle-Eastern State?

It is well known that a devout Muslim can, very quickly, become a fanatic when ordered to join a Jihad (Holy War).

Israel, of all the countries of the world, knows, only too well, about Muslim fanatics.

Going along with the fear of another Middle-Eastern war, which could disrupt the flow of oil from the East to the West, the price of crude oil rose to more than \$US30 per barrel, last Monday – which was a 19-month high.

OPEC – The Organisation of Oil Producing Countries – was resisting international pressure to turn on the taps another 360 degrees, raising production and, thereby, lowering prices.

Crude oil for delivery in November was being quoted at \$US30.48 in New York while, in London, the price of Brent Crude for November delivery was up by about 46 cents (US) at \$US28.89 per barrel.

The Iraqi Government had said, over the weekend, that the country would not accept any new United Nations Resolutions on weapons inspectors.

The US Government is pressing the United Nations not just to press Iraq to allow weapons inspectors into the country, but, also, to guarantee the destruction of any weapons of mass destruction, found in Iraq.

On Saturday, September 23, General Tommy Franks, the Commander of the US Central Command, said: *'We (the US) are prepared to undertake whatever activities and whatever actions we may be directed to take by our nation.'*

Fighting words!

General Franks was speaking in his official capacity as the commander of all US forces in The Gulf at a news conference in Kuwait City, Kuwait.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors determined to wait it out in order to see which way the investment winds would blow when New York opened for business on Monday, New York time, which is Tuesday, Hongkong time.

On The Stock Exchange of Hongkong Ltd, last Monday, the Main Board's Hang Seng Index lost about 0.14 percent of its value, falling back to 9,314.87 points.

The Total Turnover dropped to \$HK3.88 billion.

The ratio of losers to gainers was about 1.73:One.

The Ten Most Active Counters were:

HSBC Holdings plc (Code: 5)	Up 0.30 percent to \$HK84.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.55 percent to \$HK18.15 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.64 percent to \$HK46.70 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.23 percent to \$HK43.80 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.67 percent to \$HK49.90 per share
CLP Holdings Ltd (Code: 2)	Down 0.61 percent to \$HK32.80 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK84.00 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Up 2.35 percent to \$HK10.90 per share
BYD Company Ltd (Code: 1211)	Down 2.25 percent to \$HK17.35 per share
Swire Pacific Ltd (Code: 19) "A" Shares	Down 1.27 percent to \$HK31.00 per share

There were a total of 35, double-digit movers of the day, of which number, 18 counters rose and 17 counter fell.

China United Holdings Ltd (Code: 273) was the biggest gainer of the day as its share price rose 33.33 percent to end the session at 4 cents.

Credit Card DNA Security System (Holdings) Ltd (Code: 1051) was the biggest loser with its share price, dropping 31.58 percent to 2.60 cents.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another day of losses: The Growth Enterprise Index hit a new low of 124.85 points, representing a one-day loss of about one percentage point.

The Total Turnover dropped to about \$HK68.82 million, with losers ahead of gainers by the ratio of about 3:18:One.

SUNeVision Holdings Ltd (Code: 8008) shocked investors, following an official announcement from Management that it had lost about \$HK633.85 million for the Financial Year, ended June 30, 2002.

SUNeVision, which is controlled by the Kwok Family of Hongkong, has yet to turn a dime since its listing on The GEM on March 6, 2000.

The Initial Offer Price of SUNeVision shares, when it went to the market, was \$HK10.38.

Last Monday, the share price of this company was \$HK1.01, which represented a drop of 3 percent from the previous Friday's closing level.

For many months, SUNeVision has been buying up its own shares, which had the effect of supporting the price, but, last Monday, the game was up.

The double-digit movers on The GEM, last Monday, included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Computech Holdings Ltd	8081		14.29	0.30
Essex Bio-Technology Ltd	8151		34.94	0.108
EVI Education Asia Ltd	8090		28.57	0.02
M Channel Corporation Ltd	8036		10.96	0.065
MediaNation Incorporated	8160		12.09	0.16
PINE Technology Holdings Ltd	8013		11.11	0.08
Tradecasy Holdings Ltd	8163		15.25	0.05
WLS Holdings Ltd	8021	12.07		0.13

Japan was closed for a national holiday.

In other parts of Asia, this was how those equity markets closed, last Monday night:

Indonesia	Plus 0.48 percent to 410.77
Japan	Closed
Malaysia	Minus 1.51 percent to 662.48
The Philippines	Minus 0.37 percent to 1,138.63
Singapore	Minus 0.37 percent to 1,415.82
South Korea	Minus 3.51 percent to 679.43
Taiwan	Minus 2.28 percent to 4,328.40
Thailand	Minus 1.01 percent to 347.97

Tuesday

Nearly every major stock market in the world suffered substantial losses as it became more and more obvious that war with Iraq was getting nearer.

Wall Street went into free-fall and, in Europe and Asia, red ink blotted copybooks.

Some of the biggest losers in Europe were:

Great Britain's FT-SE 100	Down 3.13 percent
Germany's DAX	Down 4.94 percent
Paris CAC40	Down 3.34 percent
Amsterdam's AEX	Down 4.32 percent
Italy's MIBTel	Down 4.32 percent

On Wall Street, last Monday, the Composite Index of the tech-laden NASDAQ hit a new 6-year low of 1,184.93 points.

The Composite Index's 3.15-percent, one-day fall was not, entirely, unexpected, since a fall in equity prices was on the cards, long before Wall Street opened for business.

However, the extent of the fall of NASDAQ's stocks took some people by surprise.

Since the beginning of this year, up to last Monday, New York time, the NASDAQ's Composite Index had surrendered about 36 percent of its value.

On The New York Stock Exchange, the Dow Jones Industrial Average gave up 113.87 points, equivalent to about 1.43 percent.

In addition to the ever-pervasive war news, a slew of companies, listed on both the Big Board of The New York Stock Exchange and on the NASDAQ, put out reports that they expected the worst for the tail end of the year.

Asia took the news about the Western world's equity markets rather badly, with the result that every major bourse in the most populous area of the world saw their respective indices fall to much lower levels, with Singapore, leading the losers.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the territory was hit by a number of parochial problems, in addition to the prospects of another war between the US and Iraq.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index shed about 1.26 percent of its value, falling back to 9,197.68 points.

The Total Turnover was about \$HK4.72 billion, with losers ahead of gainers by the ratio of about 2.52:One.

It was in the Finance Sector of the market that the most damage was done as its Sectorial Index gave up about 1.79 percent of its value.

The Ten Most Active Counters were:

HSBC Holdings plc (Code: 5)	Down 2.06 percent to \$HK83.00 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.07 percent to \$HK46.20 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.10 percent to \$HK17.95 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.23 percent to \$HK43.70 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.40 percent to \$HK49.20 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Down 1.88 percent to \$HK7.85 per share
CLP Holdings Ltd (Code: 2)	Up 0.30 percent to \$HK32.90 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Down 0.46 percent to \$HK10.85 per share
CNOOC Ltd (Code: 883)	Up 0.47 percent to \$HK10.80 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.60 percent to \$HK83.50 per share

The double-digit movers of the day included:

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

A-Max Holdings Ltd	959		23.53	0.026
Boto International Holdings Ltd	585	13.16		0.043
Century Legend (Holdings) Ltd	79		35.29	0.011
Credit Card DNA Security System (Holdings) Ltd	1051	15.38		0.03
Emperor (China Concept) Investment Ltd	2963		12.96	0.188
eSun Holdings Ltd	571		14.29	0.30
Ezcom Holding Ltd	312		10.34	0.078
Global Tech (Holdings) Ltd	143		11.79	0.247
Goldlion Holdings Ltd	533	12.00		0.42
GZI Transport Ltd	1052		12.40	1.13
Hansom Eastern (Holdings) Ltd	279		10.20	0.088
Kin Don Holdings Ltd	208		12.50	0.014
ONFEM Holdings Ltd	230		10.53	0.34
Prime Success International Group Ltd	210	15.00		0.092
QUAM Ltd	952	10.00		0.011
renren Holdings Ltd	59		16.67	0.05
RNA Holdings Ltd	501		23.08	0.01
SC Industrial Development Company Ltd	554		12.79	0.375
Starbow Holdings Ltd	397	36.36		0.015
Stelux Holdings International Ltd	84	10.39		0.17
Universal Appliances Ltd	419		18.75	0.026
Van Shung Chong Holdings Ltd	1001	10.00		0.33
Vision Tech International Holdings Ltd	922		16.23	0.16
Wah Nam Group Ltd	159		12.82	0.17
Xinao Gas Holdings Ltd	2688		10.11	1.69
Zhongda International Holdings Ltd	909		59.75	0.161

News wise, it was announced by the HKSAR Government that the Composite Consumer Price Index (CPI) had fallen 3.30 percent in the month of August, Year-on-Year.

Deflation was the name of the game in the HKSAR – and it had been so for the previous 46 consecutive months.

The Administration of the Chief Executive, Mr Tung Chee Hwa, announced its proposals for a new, anti-subversion law, a law that would grant the Administration much wider, unfettered executive powers.

The proposals include emergency powers to permit a property to be entered and any person may be stopped and searched wherever she or he may be in order to investigate a suggestion of treason, secession, sedition and/or subversion.

A person, found guilty of inciting violence or public disorder, may be sentenced to jail for up to 7 years.

For a person, found guilty of treason, secession, sedition or subversion, the penalty is life in prison.

The penalty for the publication of material, deemed to be seditious by the Administration, is to be 7 years in jail and a fine of \$HK500,000.

The law did not include the death penalty ... at least, not yet.

TARGET, henceforth, will be most careful when criticising Mr Tung Chee Hwa, his Administration, or any member of his staff, or reporting other criticisms of him, his staff or his, or his people's, views even though it is known that Mr Tung Chee Hwa's popularity is fast approaching that of a pot-bellied, pock-marked syphilitic prostitute.

Publicly listed Century City International Holdings Ltd (Code: 355) announced that it had suffered a Loss Attributable to Shareholders of about \$HK205.10 million for the first half of its Financial Year, ended June 30, 2002.

For the like 2001 period, the company suffered a Loss Attributable to Shareholders of about \$HK251.10 million.

Paliburg Holdings Ltd (Code: 617) announced that, like its sister company, Century City International, it had recorded a Loss Attributable to Shareholders of about \$HK230 million for the same period.

In the 2001 first half, this company had logged in a Loss Attributable to Shareholders of about \$HK258.20 million.

Some companies have all the luck!

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another record day for The Growth Enterprise Index – which hit a new low of 122.99 points.

This lone index shed another 1.49 percent of its value, last Tuesday, as the ratio of losers to gainers went to 3.71:One.

The Total Turnover on this market was about \$HK71.39 million.

Mr Li Ka Shing's tom.com Ltd lost about 4 percent of its value as its share price fell to \$HK1.83, while SUNEvision Holdings Ltd (Code: 8008) gave up another 4 percent of its market capitalisation, dropping to a new low of 97 cents per share. (Please see Monday's report on SUNEvision Holdings)

Japan got a rude awakening on the first day of trading, last week, with The Tokyo Stock Exchange, seeing one counter after another, falling to sellers.

The key index of The Tokyo Stock Exchange, the Nikkei-225 Stock Average, was hit by a wave of sellers, which brought it down more than 3 percent in early trading activity.

By the close of the day, however, the Nikkei-225 Stock Average stood at 9,321.61 yen, down 159.44 yen, or about 1.68 percent, on the previous close on Friday, September 20.

Japan was concerned that, when a shooting war breaks out between whomever and Iraq, The Land of The Rising Sun would be hard hit since the country relies heavily on sales of its products to the US.

There is, also, of course, the question of oil supplies which, more than likely, would be interrupted.

And, in addition, there is the matter of the country's poor economic prospects.

Banks and electronics were among the hardest hit, as the following TARGET list shows:

Banks/Finance Houses/Stockbrokerage Companies

Daiwa Bank Holdings	Down 1.14 percent to 87 yen per share
Daiwa Securities*	Down 3.58 percent to 620 yen per share
Kokusai Securities	Down 2.84 percent to 651 yen per share
Mitsui Trust	Down 8.47 percent to 270 yen per share
Mitsubishi Financial Group	Down 3.03 percent to 800,000 yen per share
Mitsui Trust Holdings	Down 8.47 percent to 270 yen per share

Mizuho Holdings	Down 4.20 percent to 251,000 yen per share
New Japan Securities	Down 4.44 percent to 172 yen per share
Nikko Cordial*	Down 6.20 percent to 499 yen per share
Nomura Holdings*	Down 4.98 percent to 1,488 yen per share
Sumitomo Mitsui Bank*	Down 3.30 percent to 616 yen per share

* Among the most active counters of the day

Electronics

Advantest	Down 5.37 percent to 4,760 yen per share
Casio	Down 6.21 percent to 619 yen per share
Fujitsu*	Down 2.81 percent to 518 yen per share
Hitachi*	Down 2.22 percent to 616 yen per share
Konica	Down 2.57 percent to 796 yen per share
Kyocera	Down 2.54 percent to 8,060 yen per share
Matsushita Electrical Industrial*	Down 5.08 percent to 1,288 yen per share
NEC*	Down 2.58 percent to 567 yen per share
Nikon	Down 4.60 percent to 955 yen per share
Rohm	Down 6.90 percent to 13,500 yen per share
Sanyo Electric*	Down 5.25 percent to 415 yen per share
Sharp	Down 2.61 percent to 1,159 yen per share
Sony	Down 2.69 percent to 5,060 yen per share
Sumitomo Electric	Down 4.25 percent to 698 yen per share
Tokyo Electron	Down 6.56 percent to 4,560 yen per share
Toshiba Corporation*	Down 5.00 percent to 361 yen per share

* Among the most active counters of the day

In other Asian markets, this was how they fared, last Tuesday night:

Indonesia	Minus 0.60 percent to 408.30
Japan	Minus 1.68 percent to 9,321.64
Malaysia	Minus 1.51 percent to 652.41
The Philippines	Minus 1.45 percent to 1,122.07
Singapore	Minus 2.74 percent to 1,377.07
South Korea	Minus 1.05 percent to 672.28
Taiwan	Minus 0.96 percent to 4,286.94
Thailand	Minus 2.20 percent to 340.33

Wednesday

Iraq, Saddam Hussein, Al Qaeda and Osama bin Laden, and the rising price of oil were on the tongues of most of the world's most powerful men, last Tuesday and Wednesday, with the Prime Minister of Great Britain, throwing down the gauntlet at the feet of President Saddam Hussein of Iraq.

The war drums were beating ever louder.

Wall Street reacted to the plethora of disturbing news, with the key index of The New York Stock Exchange, closing the second day of trading, last week, at a 4-year low.

British Prime Minister Tony Blair warned the world that Iraqi President Saddam Hussein's weapons-of-mass-destruction programme was *'active, detailed and growing.'*

In an emergency session of the House of Commons, the Prime Minister told a packed audience that the policy of trying to contain Iraq was not working and that Iraq had military plans for chemical and biological weapons.

The content and tone of the Prime Minister's speech made it only too clear that Great Britain was siding with the US and that, when the bullets and missiles are fired, English soldiers will be standing, side by side, with their US counterparts.

Mr Colin Powell, the US Secretary of State, told the British Broadcasting Corporation (BBC), at about the same time that the British Prime Minister was briefing Parliament, that disarmament of Iraq was the main priority.

Obliquely, the US Secretary of State suggested that President Saddam Hussein would have to go; he refused to be definitive about the matter, stating: *'I think we'll have to wait and see.'*

There was no need to read between the lines as to what some of the world's most important leaders were saying: Iraq has to be disarmed; President Saddam Hussein either has to step down or be killed; any nation that harbours international terrorists may expect to be pinpointed and, then, suffer elimination with extreme prejudice.

In New York, The American Petroleum Institute reported a drop in the supply of crude oil.

That and war news pushed up the price of oil, past the \$US31 per barrel mark in early trading, but it settled down at about \$US30.81 by the close of the day.

Europe continued its tailspin, with major equity markets, losing material values:

Great Britain's FT-SE 100	Down 1.83 percent
Germany's DAX	Down 1.41 percent
Paris CAC40	Down 1.84 percent
Amsterdam's AEX	Down 0.33 percent
Italy's MIBTel	Down 0.38 percent

On The New York Stock Exchange, the Dow Jones Industrial Average shed 189.02 points, equivalent to 2.40 percent, ending the session at 7,683.13 points.

The Dow's close of last Tuesday was its lowest level in 4 years.

On the NASDAQ, its Composite Index surrendered only 2.79 points, or about 0.24 percent, running back to 1,182.14 points.

All things considered, the smallish losses on the NASDAQ could well be taken as being positive ... at least, for the short term.

Negativity over the US economy, the coming war with Iraq, coupled with warnings from Wall Street *'darlings'* as to lower earnings, all conspired to bring down prices on the world's largest equity market.

In Asia, all but 2 stock markets saw material falls in their respective indices. And even those gains were only of a fractional nature.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors watched the Main Board's Hang Seng Index, the key index of The Stock Exchange of Hongkong Ltd, hit a near one-year low of 9,124.91 points.

It was the sixth consecutive day of losses for the Main Board, whose Hang Seng Index had to give up another 0.79 percent of its value, last Wednesday.

The Total Turnover of the day was about \$HK6.60 billion.

Losers outran gainers by the ratio of 1.47:One.

Once again, the finance sector of the market led the losers: The Sectorial Index shed about 1.63 percent of its value.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.81 percent to \$KH81.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.84 percent to \$HK17.80 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.97 percent to \$HK45.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.22 percent to \$HK46.30 per share

Hang Seng Bank Ltd (Code: 11)	Down 1.80 percent to \$HK82.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.41 percent to \$HK49.40 per share
BYD Company Ltd (Code: 1211)	Down 11.24 percent to \$HK15.00 per share
CLP Holdings Ltd (Code: 2)	Unchanged at \$HK32.90 per share
Hongkong Electric Holdings Ltd (Code: 6)	Up 0.30 percent to \$HK33.00 per share
Henderson Land Development Company Ltd (Code: 12)	Unchanged at \$HK22.15 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959		23.08	0.02
Applied (China) Ltd	472	16.67		0.042
BYD Company Ltd	1211		11.24	15.00
CATIC International Holdings Ltd	232	10.08		0.142
CCT Technology Ltd	261	13.33		0.017
Century Legend (Holdings) Ltd	79	54.55		0.017
Chevalier Construction Holdings Ltd	579		10.00	0.117
China Treasure (Greater China) Investments Ltd	810		23.86	0.335
Daido Group Ltd	544		17.50	0.033
DVN (Holdings) Ltd	500		22.22	0.84
Emperor International Holdings Ltd	163		13.33	0.26
eSun Holdings Ltd	571	16.67		0.35
Friedmann Pacific Greater China Investments Ltd	1226	10.71		0.62
Guo Xin Group Ltd	1215		15.38	0.011
Haier-CCT Holdings Ltd	1169	18.45		0.122
Hansom Eastern (Holdings) Ltd	279		23.86	0.067
i-CABLE Communications Ltd	1097		11.29	2.75
Lai Sun Development Company Ltd	488	10.00		0.077
Lippo Ltd	226	10.00		0.66
New World CyberBase Ltd	276		12.50	0.014
Sen Hong Resources Holdings Ltd	76	12.00		0.56
South China Brokerage Company Ltd	619		16.00	0.042
Terabit Access Technology International Ltd	491		10.53	0.017
Veeko International Holdings Ltd	1173		31.11	0.062
Wing Shan International Ltd	570	10.71		0.31
Wo Kee Hong (Holdings) Ltd	2976	36.36		0.12

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a disaster zone.

The Growth Enterprise Index fell about 2.53 percent to 119.88 points, a new low for the index.

The Total Turnover was about \$HK94.61 million.

The ratio of losers to gainers was 2.26:One.

Mr Li Ka Shing's latest listing, CK Life Sciences International (Holdings) Incorporated (Code: 8222), was hit hard as investors marked down its share price to \$HK1.55, down about 9.36 percent on Tuesday's closing level.

This is the lowest level for this loss-making company, which appears to be on the way to below the \$HK1-mark.

Turnover in this one counter, at about \$HK37.20 million, represented nearly 40 percent of the Total Turnover of the day.

The Great Man's other major listing on The GEM, tom.com Ltd (Code: 8001), shed another one percent of its market capitalisation, falling to \$HK1.81.

This is not the lowest level for this counter, which still has a long way to go before its shares are traded at below the 50-cent level.

The Kwok Brothers' GEM listing, SUNeVision Holdings Ltd (Code: 8002), was felled by about 5 percent as investors determined that it is worth no more than 92 cents.

At least, that was the thinking, last Wednesday, but there were some suggestions that, perhaps, the share price should fall closer to the 10-cent level because, after all, it has done next to nothing since it was listed; and, it has managed to lose the best part of \$HK1.50 billion in a period of about 30 months.

There would appear to be little prospects for this company. (Please see Monday's report on this company)

The double-digit movers of this market included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
E-silkroad Holdings Ltd	8071	33.33		0.02
Emperor Entertainment Group Ltd	8078	15.25		0.68
Essex Bio-Technology Ltd	8151	31.82		0.145
GP Nano Technology Group Ltd	8152		19.30	0.23
Info Communication Holdings Ltd	8082		10.34	0.026
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049		15.63	0.27
Qianlong Technology International Holdings Ltd	8015	10.00		0.33
Trasy Gold EX Ltd	8063		10.53	0.034
Vodatel Networks Holdings Ltd	8033		10.42	0.43

On The Tokyo Stock Exchange, concerns over the Japanese Government's inability to solve the country's economic woes plus the other international problems, upset many an investor's apple cart.

The Nikkei-225 Stock Average lost another 1.68 percent of its value, falling back to 9,165.41 yen.

It was the third straight day of losses for Asia's largest equity market, which had seen about 500 yen subtracted from the Nikkei-225 Stock Average, during those 3 trading days.

Losses were right across the board, generally, but some of the Big 4 Banks managed to scurry back into the black after losing heavily in early trading.

The ratio of losers to gainers was about 4.19:One.

Other Asian bourses, which were hit, hard, last Wednesday, were:

Indonesia	Plus 0.08 percent to 408.64
Japan	Minus 1.68 percent to 9,165.41
Malaysia	Minus 2.40 percent to 636.75

The Philippines	Plus 0.40 percent to 1,126.60
Singapore	Minus 2.50 percent to 1,342.62
South Korea	Minus 2.13 percent to 657.96
Taiwan	Minus 2.36 percent to 4,185.95
Thailand	Minus 1.27 percent to 336.00

Thursday

While it could only be termed as being a technical correction on Wall Street, last Wednesday, New York time, yet it was all that was necessary to be the fillip that infected most of the world's equity markets, causing them to follow Wall Street's lead.

On The New York Stock Exchange, last Wednesday, the Dow Jones Industrial Average gained about 2.06 percent over Tuesday's close, rising to 7,841.82 points.

As for the NASDAQ, its Composite Index rose about 3.39 percent, running back to 1,222.29 points.

There was some re-assuring news from certain heavyweight companies, whose shares are listed on the Big Board of The New York Stock Exchange, but, in essence, nothing had changed, internationally; and, in Continental United States, there was little that could have accounted for the seeming euphoria on US equity markets.

As for the Middle East, there was little new happening on that front, with the drums of war, continuing to be beaten by the proponents of a pre-emptive attack on Baghdad.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), things were holding steady – but only just.

On The Stock Exchange of Hongkong Ltd, the indices of the Main Board and The Growth Enterprise Market (The GEM) both managed to make gains, although The GEM's gains were of a fractional nature, only.

The Hang Seng Index, the '*barometer*' of trading on the Main Board, gained about 1.60 percent, running back to 9,270.71 points on a Total Turnover of about \$HK5.36 billion.

The ratio of gainers to losers was about 1.85:One.

The property sector of the market was the point of the thrust, while the finance sector was a close second string.

The Ten Most Actives of the day were:

HSBC Holdings plc (Code: 5)	Up 0.92 percent to \$HK82.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 5.33 percent to \$HK47.40 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 4.25 percent to \$HK51.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 2.53 percent to \$HK18.25 per share
Henderson Land Development Company Ltd (Code: 12)	Up 7.00 percent to \$HK23.70 per share
Hutchison Whampoa Ltd (Code: 13)	Up 2.16 percent to \$HK47.30 per share

Euro-Asia Agricultural (Holdings) Company Ltd (Code: 932)	Down 27.42 percent to 45 cents per share
Hang Seng Bank Ltd (Code: 11)	Up 1.22 percent to \$HK83.00 per share
CLP Holdings Ltd (Code: 2)	Down 1.52 percent to \$HK32.40 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 1.29 percent to \$HK7.85 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959		25.00	0.015
Boto International Holdings Ltd	585		11.90	0.037
Central China Enterprises Ltd	351		13.04	0.04
Cheong Ming Investments Ltd	1196	15.38		0.30
China Development Corporation Ltd	487	46.15		0.019
China United Holdings Ltd	273	12.50		0.045
Chuang's China Investments Ltd	298	18.00		0.177
Dickson Group Holdings Ltd	313		11.43	0.062
Emperor International Holdings Ltd	163	15.38		0.30
Euro-Asia Agricultural (Holdings) Company Ltd	932		27.42	0.45
Extrawell Pharmaceutical Holdings Ltd	858		13.24	0.19
Far East Pharmaceutical Technology Company Ltd	399	12.07		1.30
Huafeng Environmental Protection Textile International Group Ltd	364		10.64	0.42
Kantone Holding Ltd	1059		11.11	0.04
Kin Don Holdings Ltd	208	21.43		0.017
Lai Sun Development Company Ltd	488		12.99	0.067
Luen Tai Group Ltd	346	45.83		0.70
Quality HealthCare Asia Ltd	593	13.56		0.134
Riche Multi-Media Holdings Ltd	764	10.00		3.30
Sen Hong Resources Holdings Ltd	76	10.71		0.62
Shanghai Century Holdings Ltd	755	11.82		0.246
Shanxi Central Pharmaceutical International Ltd	327		10.00	0.036
Softbank Investment International (Strategic) Ltd	648	14.09		0.17
Solartech International Holdings Ltd	2974	17.07		0.24
Star East Holdings Ltd	198	25.00		0.025
Starbow Holdings Ltd	397		13.33	0.013
Stelux Holdings International Ltd	84	11.96		0.206
Top Form International Ltd	333	10.61		0.365
Tristate Holdings Ltd	458		11.18	1.51
Wah Nam Group Ltd	159		42.35	0.098
Water Oasis Group Ltd	1161	15.00		0.69
Wing Lee Holdings Ltd	876	17.17		0.58

With regard to Euro-Asia Agricultural's entrance into the list of the Ten Most Actives, this was brought about, following the mandatory suspension of trading in the company's shares on orders from The Securities and Futures Commission (SFC), an event which took place on September 19, 2002, just 7 days prior.

The SFC was concerned as to whether or not price-sensitive information had been withheld from the investing public by management of Euro-Asia Agricultural.

There has been a seemingly unusual movement of the price of the company's shares between September 5 and September 18 and the SFC determined that that phenomenon deserved an investigation.

Mr Chen Jun, the former Chief Executive Officer of Euro-Asia Agricultural, had quit his post after only 5 months in office.

He, also, threw in the towel as an Executive Director.

This matter was not reported to shareholders until the SFC launched its investigation into the company, although Mr Chen's letter of resignation had been handed to the Board of Directors on September 12.

Between September 6 and September 12, that is 5 trading days, the share price of Euro-Asia Agricultural had moved up by 22 percent, to 83 cents per share, TOLFIN's statistics showed.

(TOLFIN: TARGET's Computerised, Online Finance Service and Credit-Checking Provider)

It was on September 12 that the company produced its Interim Results.

Following the publication of the Interim Results, the share price of Euro-Asia Agricultural dropped back 25 percent in 4 trading days, to close at 62 cents on September 18.

The SFC ordered the suspension of trading in the shares of the company, the following day.

On September 17, the turnover in the shares of Euro-Asia Agricultural reached 151 million shares, equivalent to about 9 percent of the Issued and Fully Paid-Up Share Capital.

Between July 2, 2002 and September 18, 2002, there had been a drop in the share price of Euro-Asia Agricultural of about 75 percent, according to **TOLFIN**.

The Stock Exchange of Hongkong Ltd was said to be considering whether or not to take action against the company.

On The GEM, The Growth Enterprise Index gained about one third of a percentage point, last Thursday, ending the session at 120.27 points.

The Total Turnover continued to be on the low side, at about \$HK114.41 million.

Gainers only just managed to displace losers by the slim margin of 1.09:One.

SUNeVision Holdings Ltd (Code: 8008) had a relatively good day as its share price rose about 3 percent to 95 cents.

But the gains were in direct response to the company, purchasing 94,000 of its own shares at between 93 cents per share and 95 cents per share.

The company's purchases of its own shares represented about 35 percent of the total number of shares that were traded, last Thursday.

Mr Li Ka Shing's CK Life Sciences International (Holdings) Incorporated (Code: 8222) continued to run into flak: Its share price was reduced by another 6 percent, to \$HK1.45.

The biggest movers of the day on this speculative marketplace were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Emperor Entertainment Group Ltd	8078	14.71		0.78
Essex Bio-Technology Ltd	8151	10.34		0.16
Everpride Biopharmaceutical Company Ltd	8019	10.00		0.275
Goldigit Atom-Tech Holdings Ltd	8059		16.97	0.181
Info Communication Holdings Ltd	8082	15.38		0.03
Jilin Province Huinan Changlong Bio-pharmacy Company Ltd	8049	18.52		0.32
MediaNation Incorporated	8160	13.73		0.174
Systek Information Technology (Holdings) Ltd	8103	12.00		0.056

On The Tokyo Stock Exchange, The Nikkei-225 Stock Average put on 155.51 yen, or about 1.70 percent, recovering to 9,320.92 yen.

It was the first gain of the week.

Wall Street triggered the gains on The Tokyo Stock Exchange, without question, because there was little call for the rebound, otherwise.

The Japanese economy was still in limbo; and, the Government of Prime Minister Junichiro Koizumi had still not come up with a feasible solution to that which ails the second-largest economy of the world.

Banking and other finance counters were, just about, the biggest gainers of the day, as the following list illustrates:

Banks/Finance Houses/Stockbrokerage Companies

Daiwa Bank Holdings*	Up 2.33 percent to 88 yen per share
Daiwa Securities	Up 3.08 percent to 635 yen per share
Kokusai Securities	Up 2.43 percent to 675 yen per share
Mitsubishi Tokyo Financial	Up 4.82 percent to 848,000 yen per share
Mitsui Trust Holding*	Up 10.11 percent to 294 yen per share
Mizuho Holdings	Up 6.30 percent to 269,000 yen per share
New Japan Securities	Up 3.57 percent to 174 yen per share
Nikko Cordial*	Up 5.17 percent to 529 yen per share
Nomura Holdings*	Up 2.91 percent to 1,520 yen per share
Sumitomo Mitsui Banking*	Up 5.54 percent to 648 yen per share
Sumitomo Trust and Bank*	Up 3.90 percent to 613 yen per share
UFJ Holdings	Up 7.30 percent to 293,000 yen per share

* Among the most active counters of the day

As for other counters, they appeared to be limping along with no particular direction, although some of the electronics managed to make smallish gains.

On other Asian bourses, this was how they closed the day of September 26, 2002:

Indonesia	Plus 0.81 percent to 411.94
-----------	-----------------------------

Japan	Plus 1.70 percent to 9,320.92
Malaysia	Plus 0.48 percent to 639.83
The Philippines	Minus 0.50 percent to 1,120.99
Singapore	Plus 1.02 percent to 1,356.29
South Korea	Plus 0.68 percent to 662.41
Taiwan	Plus 0.87 percent to 4,222.22
Thailand	Minus 0.05 percent to 335.82

Friday

Air strikes on mobile air-defence radar units in the Iraqi southern city of Basra failed to discourage or dissuade US investors on the largest stock market in the world, last Thursday, from buying up blue chips, listed on the Big Board of The New York Stock Exchange.

The Big Board's Dow Jones Industrial Average, the key index for blue chips, shot up by 155.30 points, equivalent to 1.98 percent, ending last Thursday's session at 7,997.12 points.

On the NASDAQ, however, its Composite Index failed to come to the Big Board's *'party'* and shed about 0.68 percent of its value, falling back to 1,221.61 points.

There had been a number of reports about this and that, reports that emanated from various US Government agencies, and, as the saying goes, *'Any port in a storm'* – so, up went indices on The New York Stock Exchange as stockbrokers joined in the fun, talking up stock prices, regardless of fundamentals.

However, in reality, little of any major importance had taken place in a matter of 48 hours.

It was difficult to ascribe sufficient logical reason for the nearly 2-percent gain on The New York Stock Exchange, last Thursday, but few people seemed to care too much.

In fact, there was ample reason to believe that the indices of the largest bourse in the world should have fallen to much lower levels.

Be that as it may, in Europe, investors took the opportunity to buy – and buy big.

Europe was following Wall Street, as major equity markets of the European Union recovered material lost ground:

Great Britain's FT-SE 100	Up 4.18 percent
Germany's DAX	Up 1.96 percent
Paris CAC40	Up 6.32 percent
Amsterdam's AEX	Up 6.61 percent
Italy's MIBTel	Up 2.68 percent

But US and British fighter aeroplanes were shooting up part of a civilian airport at Basra, following the discovery of mobile radar units, used for defence by the Government of Iraq.

The announcement of the raids came, directly, from The Pentagon, in Washington, D.C.

The US Central Command, under command of General Tommy Franks, said that US forces had attacked 2 defence facilities, one in Basra and one in al Fufa, about 80 miles south of Baghdad.

Both attacks were in response to Iraqi anti-aircraft fire, directed at Coalition Forces, flying in no-fly zones.

Closer at home, US telecommunications provider, SBC Communications Incorporated, announced that it would be sacking another 11,000 of its workers, representing about 6 percent of the company's workforce.

SBC, the main telecommunications provider in the Middle and Southwest of the US, said that it would be cutting capital spending by between \$US5 billion and \$US6 billion, this year.

Up to August, this year, the company had sacked 10,000 of its workers.

From London, England, news came through that the price of Brent Crude Oil had eased to about \$US28.70 per barrel.

However, in New York, on The New York Mercantile Exchange, November Crude contracts closed only 33 cents (US) lower, at about \$HK30.31.

Analysts, charting the movements of oil prices, continued to watch the situation in Iraq, however, as a guide to future oil prices.

Aside from Japan and Singapore, investors in Asia were more than a little wary of making new financial commitments on stock markets in the region.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index moved only slightly for the entire trading session.

By the close of the day, the Hang Seng Index stood at 9,294.46 points, up about 0.26 percent on Thursday's closing level.

The Total Turnover of the day was about \$HK5.87 billion, with gainers, only just edging out losers by the tight margin of 1.01:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.30 percent to \$HK82.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.05 percent to \$HK47.90 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.06 percent to \$HK47.80 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.55 percent to \$HK18.15 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Unchanged at \$HK51.50 per share
CNOOC Ltd (Code: 883)	Up 1.87 percent to \$HK10.90 per share
Henderson Land Development Company Ltd (Code: 12)	Up 1.27 percent to \$HK24.00 per share
PetroChina Company Ltd (Code: 857)	Down 1.85 percent to \$HK1.59 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK83.00 per share

Euro-Asia Agricultural (Holdings) Company Ltd
(Code: 932)

Down 11.63 percent to 38 cents per
share

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959	60.00		0.024
A-Max Holdings Ltd	2960		22.22	0.035
Ananda Wing On Travel (Holdings) Ltd	1189		14.29	0.012
C.P. Pokphand Company Ltd	43		10.45	0.30
Can Do Holdings Ltd	172		18.60	0.035
CCT Technology Holdings Ltd	261	11.11		0.02
Central China Enterprises Ltd	351	17.50		0.047
Century Legend (Holdings) Ltd	79		11.76	0.015
China Treasure (Greater China) Investments Ltd	810	10.29		0.375
CIL Holdings Ltd	479	13.33		0.017
eSun Holdings Ltd	571	12.50		0.36
Euro-Asia Agricultural (Holdings) Company Ltd	932		11.63	0.38
Hansom Eastern (Holdings) Ltd	279	14.06		0.073
Massive Resources International Corporation Ltd	70	14.89		0.054
MAXX Bioscience Holdings Ltd	512	11.11		0.20
Oriental Metals (Holdings) Company Ltd	1208	20.00		0.12
Pacific Plywood Holdings Ltd	767	10.00		0.011
QUAM Ltd	952	10.00		0.011
Sino Technology Investments Company Ltd	1217		11.86	0.26
South China Brokerage Company Ltd	619	19.05		0.05
Starbow Holdings Ltd	397	15.38		0.015
Stelux Holdings International Ltd	84	13.11		0.233
Theme International Holdings Ltd	990		22.86	0.027
Wing Lee Holdings Ltd	876		18.10	0.475
YT Realty Group Ltd	75		10.53	0.34
Zhejiang Glass Company Ltd	739		10.31	0.87

There were a number of corporate announcements, last Friday, the most important of which, no doubt, came from PCCW Ltd (Code: 8), formerly known as Pacific Century CyberWorks Ltd, which put out its Interim Results for the 6-month period, ended June 30, 2002.

The Results were that the company has suffered a Loss Attributable to Shareholders of about \$HK713 million.

That was slightly down on the comparable period in 2001 when the company reported a Net Profit Attributable to Shareholders of about \$HK935 million.

Turnover of this Li Ka Shing company slipped from the 2001 figure of about \$HK11.31 billion to the 2002, June 30 Interim period of about \$HK10.20 billion.

The company, also, reported a loss on investments of about \$HK124 million and another loss on disposal of Regional Wireless Company of about \$HK1.81 billion.

The share price of PCCW closed at \$HK1.14 on a turnover of about 34 million shares.

Arnhold Holdings Ltd (Code: 102), a company, engaged in the trading and installation of toilet seats and wash basins, etc, and being controlled by one of the richest Jewish men in the territory, Mr Michael John Green,

reported its Interim Results for the 6 months, ended June 30, 2002.

Arnhold Holdings delighted its shareholders, no doubt, by announcing that it had enjoyed a Loss Attributable to Shareholders of about \$HK5.72 million for the first half of the Year.

In the 2001 Interim period, the company reported a Loss Attributable to Shareholders of about \$HK18.60 million.

Shareholders' Funds had been reduced by about \$HK394.78 million, equivalent to about 62.51 percent, Year-on-Year.

From Paul Y. – ITC Construction Holdings Ltd (Code: 498) came an announcement that it was suspending trading in its shares, pending a corporate reorganisation.

The announcement came after an exclusive TARGET report on the company.

(Please see [TARGET Intelligence Report, Volume IV, Number 184](#), published on Friday, September 27)

For the 5-day trading week, therefore, the Hang Seng Index had lost 33.76 points, equivalent to about 0.36 percent.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another bad showing as The Growth Enterprise Index gave up about 0.18 percent of its value, ending the week at 120.05 points.

The GEM's close of last Friday meant that this market's lone index had lost about 4.81 percent of its value in 5 trading days.

The ratio of losers to gainers was about 1.23:One, while the Total Turnover of the day was about \$HK83.60 million.

Both of the Li Ka Shing entities, CK Life Sciences International (Holdings) Incorporated (Code: 8222) and tom.com Ltd (Code: 8001), lost ground, with CK Life Sciences, shedding about 2 percent of its market capitalisation, falling back to \$HK1.49 per share, while tom.com Ltd gave up another one percent of its value, ending the session at \$HK1.84 per share.

The Kwok Brothers' listing, SUNeVision Holdings Ltd (Code: 8008), saw its share price stay unchanged at 94 cents, following the company, buying up another tranche of 50,000 shares, a purchase that represented about 31 percent of the total activity of this counter for the day.

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Multimedia Ltd	8061	16.67		0.035
Essex Bio-Technology Ltd	8151	26.88		0.203
Grandy Applied Environmental Technology Corporation	8143		11.11	0.08
Mudan Automobile Shares Company Ltd	8188		10.39	0.69
Panorama International Holdings Ltd	8173	11.11		0.05
PINE Technology Holdings Ltd	8013	25.00		0.10

On The Tokyo Stock Exchange, it was a completely different story to that, being told on equity markets, anywhere else in Asia.

The Nikkei-225 Stock Average, the key index of The Tokyo Stock Exchange, gained 209.52 yen, equivalent to about 2.25 percent, ending the week at 9,532.44 yen.

The gains of last Friday were the result of a number of parochial considerations.

Two of these considerations were: Finance Minister Masajuro Shoikawa was expected to announce plans to inject public funds into debt-ridden banks in Japan in order to allow them to write off non-performing loans; and, the number of jobless in The Land of The Rising Sun was steady at about 5.40 percent.

Major banking stocks, naturally, were hotly sought after, last Friday, in the hope that the Japanese Government would, at long last, take the bull by the horns and do something of a material nature for the long-suffering economy.

Some of the largest gainers were:

Banks/Finance Houses/Stockbrokerage Companies

Daiwa Bank Holdings	Up 3.41 percent to 91 yen per share
Daiwa House	Up 4.17 percent to 749 yen per share
Daiwa Securities	Up 7.56 percent to 683 yen per share
Kokusai Securities	Up 6.37 percent to 718 yen per share
Mitsubishi Tokyo Financial	Up 5.31 percent to 893,000 yen per share
Mitsui Trust Holding	Up 4.42 percent to 307 yen per share
Mizuho Holdings	Up 6.70 percent to 287,000 yen per share
New Japan Securities	Up 3.45 percent to 180 yen per share
Nikko Cordial	Up 10.59 percent to 585 yen per share
Nomura Holdings	Up 6.64 percent to 1,621 yen per share
Sumitomo Mitsui Banking	Up 5.09 percent to 681 yen per share
Sumitomo Trust and Bank	Up 4.40 percent to 640 yen per share
UFJ Holdings	Up 9.22 percent to 320,000 yen per share

While there were some useful gains in select electronics companies, nothing could compete with the gains, made in the finance section of the market.

For the 4-day trading week in Japan, ended September 27, 2002, the Nikkei-225 Stock Average had added about 0.60 percent to the previous trading week's close on The Tokyo Stock Exchange.

And, in other Asian bourses, this was the way that things looked, last Friday night:

Indonesia	Plus 0.25 percent to 412.97.92
Japan	Plus 2.25 percent to 9,530.44
Malaysia	Plus 1.18 percent to 647.36
The Philippines	Minus 0.10 percent to 1,119.92
Singapore	Plus 1.30 percent to 1,373.89
South Korea	Plus 0.20 percent to 663.72

Taiwan	Minus 0.32 percent to 4,208.80
Thailand	Plus 0.86 percent to 338.72

-- 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.