

### U.S. WEST COAST LONGSHOREMEN'S STRIKE TAKES ITS TOLL

Indices of major stock markets in Asia started off last week with a broad-based fall, and the 2 largest bourses in the most populous area of the world suffered the worst.

The losses were due in part to continued uncertainty over the very real prospects of a war between the US and Iraq – with or without the approval and endorsement of the United Nations – and disappointing economic news, spewing out of US Government agencies.

On Wall Street, the previous Friday, it was losers, all round.

The Dow Jones Industrial Average, the key, blue-chip index of The New York Stock Exchange, lost about 3.69 percent of its value, falling to 7,701.45 points, while, on the tech-laden NASDAQ, its Composite Index gave up about 1.84 percent of its value, ending the week at 1,199.16 points.

The closing level of The New York Stock Exchange on Friday, September 27, marked its lowest point since September 4, 1998.

As for the NASDAQ, that '*black*' Friday meant that it had hit its lowest level since September 13, 1996.

Asia did not take kindly to the fallout in the US, last Monday.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index surrendered about 2.39 percent of its value, falling back to 9,072.21 points on a Total Turnover of about \$HK5.91 billion.

The ratio of losers to gainers was about 2.47:One.

It was in the financial sector of the market that the most damage was done as its Sectorial Index fell about 2.30 percent.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 2.73 percent to \$HK80.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.83 percent to \$HK18.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 4.38 percent to \$HK45.80 per share
Hutchison Whampoa Ltd (Code: 13)	Down 4.42 percent to \$HK45.20 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 4.47 percent to \$HK49.20 per share
Hongkong Electric Holdings Ltd (Code: 6)	Up 2.17 percent to \$HK33.00 per share
Hang Seng Bank Ltd (Code: 11)	Down 1.51 percent to \$HK81.75 per share

CNOOC Ltd (Code: 883)

Down 0.46 percent to \$HK10.85 per share

CLP Holdings Ltd (Code: 2)

Up 0.31 percent to \$HK32.40 per share

Shanghai Land Holdings Ltd (Code: 67)

Unchanged at 84 cents per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Bestway International Holdings Ltd	718	17.65		0.02
China Sci-Tech Holdings Ltd	985	12.12		0.037
CIL Holdings Ltd	479		29.41	0.012
Compass Pacific Holdings Ltd	1188		25.93	0.10
First Natural Foods Holdings Ltd	1076		17.00	0.415
Global Tech (Holdings) Ltd	143		12.80	0.218
Grand Field Group Holdings Ltd	115		10.91	0.049
Haier-CCT Holdings Ltd	1169	13.11		0.138
Haywood Investments Ltd	905	12.00		0.224
Hua Lien International (Holding) Company Ltd	969	18.92		0.44
Kin Don Holdings Ltd	208		18.75	0.013
Lippo Ltd	226		10.00	0.54
Luen Tai Group Ltd	346	14.29		0.80
Magician Industries (Holdings) Ltd	526		41.54	0.076
Magnificent Estates Ltd	201		11.11	0.016
Man Yue International Holdings Ltd	894		12.28	0.10
Mansion Holdings Ltd	547	13.04		0.026
MAXX Bioscience Holdings Ltd	512		10.00	0.18
Medtech Group Company Ltd	1031		16.67	0.01
Nam Fong International Holdings Ltd	1176		25.00	0.03
Oriental Union Holdings Ltd	1182		12.07	0.255
Prime Success International Group Ltd	210		11.83	0.082
renren Holdings Ltd	59	10.64		0.052
Star East Holdings Ltd	198		11.54	0.023
Starbow Holdings Ltd	397		26.67	0.011
Vision Tech International Holdings Ltd	922		29.32	0.094
VST Holdings Ltd	856		11.03	0.129
Winfoong International Ltd	63		10.63	0.143
YT Realty Group Ltd	75	11.76		0.38
Yue Fung International Group Holdings Ltd	2977		20.00	1.60
Zhejiang Glass Company Ltd	739		12.64	0.76

News wise, investors of the 416 square miles that constitute the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) were preparing for a one-day holiday, Tuesday, being October 1, the National Day of the PRC.

From Euro-Asia Agricultural (Holdings) Company Ltd came news that its Chairman, Mr Yang Bin, had been responsible, in large part, for some of the large falls in the share price of the company's stock, during the previous week.

An official company announcement –made at the demand of The Stock Exchange of Hongkong Ltd, by the way – said that Wise Capital Investments Ltd (owned beneficially by the Chairman) had '*disposed 39,388,000 Shares*

on 27 September 2002 (representing approximately 2.37% of the issued share capital of the Company) at an average price of HK\$0.416 per Share to the stock market ... '.

Wise Capital, now, holds about 51.63 percent of the Issued and Fully Paid-Up Share Capital of Euro-Asia Agricultural, down from 54 percent.

A one-liner announcement, just prior to the opening of The Stock Exchange of Hongkong Ltd, said that trading in the shares of the company would be suspended.

The announcement did not say '*at the request of the company ...*' so, presumably, the Authorities had demanded that trading in the shares of this company be suspended.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another black day for investors as they watched share prices fall, fast and furiously, one after another.

The Growth Enterprise Index gave up 1.57 percent of its value, falling to a new low of 118.16 points.

Losers were ahead of gainers by the ratio of 2.35:One.

The Total Turnover dipped to a low of the year of about \$HK47.65 million.

Mr Li Ka Shing's listings had a very poor showing, with CK Life Sciences International (Holdings) Incorporated (Code: 8222), losing 4.70 percent of its market capitalisation, falling back to \$HK1.42 percent (its lowest level, yet), and tom.com Ltd (Code: 8001), shedding another 3 percent of its value, dropping back to \$HK1.79 per share (there is still some slack in this share price before it hits an historic low).

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Fortune Telecom Holdings Ltd	8040	10.00		0.77
L.P. Lammas International Ltd	8029		15.56	0.038
M Channel Corporation Ltd	8036		11.76	0.06
MediaNation Incorporated	8160		12.12	0.145
Panorama International Holdings Ltd	8173	16.00		0.058
PINE Technology Holdings Ltd	8013	22.00		0.122
Rojam Entertainment Holdings Ltd	8075		13.33	0.13
Thiz Technology Group Ltd	8119		20.14	0.115
Tradeeasy Holdings Ltd	8163		11.29	0.055
Vital Bio Tech Holdings Ltd	8193	28.30		0.34
WLS Holdings Ltd	8021	10.95		0.152

Japanese investors had to contend with a wilting economy, a government, which appeared to be undecided as to what to do about this and that, the prospects of a shooting war between the US and Iraq, and, lastly, a major trading partner, whose economy was very suspect.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average gave up 147.15 yen, falling to 9,383.29 yen.

The close represented an aggregate loss of about 15 percent in the value of the Nikkei-225 Stock Average in a period of the previous 12 months.

It was announced that the Administration of Prime Minister Junichiro Koizumi had sacked its Financial Services Minister, Mr Hakuo Yanagisawa, in a Cabinet reshuffle.

While many people applauded the move, it appeared to have been forgotten that Mr Yanagisawa's appointment had been at the behest of the Prime Minister when he took over the hottest political seat in Asia.

Clearly, Japan was undecided as to what was best for the second-largest economy of the world.

Mr Yanagisawa had been replaced by Mr Heizo Takenaka, the former Economics Minister.

And, in other Asian markets, last Monday night, this was how they fared:

Indonesia	Plus 1.53 percent to 419.30
Japan	Minus 1.54 percent to 9,383.29
Malaysia	Minus 1.44 percent to 638.01
The Philippines	Plus 0.84 percent to 1,129.34
Singapore	Minus 1.57 percent to 1,352.30
South Korea	Minus 2.61 percent to 646.42
Taiwan	Minus 0.40 percent to 4,191.81
Thailand	Minus 2.05 percent to 331.79

## **Tuesday**

With the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) on holiday, along with the '*motherland*', the PRC, proper, in order to permit some 1.30 billion Chinese nationals to celebrate the anniversary of the founding of the New Order of the most populous country in the world, a large chunk of Asia was out of commission with regard to any plays on equity markets, last Tuesday.

The PRC's stock markets were closed for the entire week while The Stock Market of Hongkong Ltd was closed, only, for last Tuesday.

That left only Japan's huge equity markets from which to look for a lead.

And Japan was sick! sick! sick!

Wall Street had fallen out of bed, again, on Monday – and, so, Japan followed suit.

On The New York Stock Exchange on the first day of trading, last week, the Dow Jones Industrial Average fell 109.52 points, equivalent to about 1.42 percent, coming to rest at 7,591.93 points.

The NASDAQ, on the other hand, had its Composite Index down 27.10 points, or about 2.26 percent, dropping back to 1,172.06 points.

There were all kinds of reasons for Wall Street's falls of last Monday, with US stockbrokers, manufacturing reasons when nothing of an official nature could be located with ease.

The facts are well known, however: The US economy may well be falling back into recession; and, there is every prospect for a war to break out between the US (or another coalition of United Nations's forces) and Iraq.

In Japan, with the country still smarting from the Prime Minister's Cabinet reshuffle (Please see Monday's report), investors were more than a little jittery.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average shed 221.03 yen, equivalent to about 2.36 percent, ending the session at 9,162.26 yen.

There were very real fears that the stalling (or stalled) US economy would sap the already buffeted Japanese, export-led economy.

It was a genuine-enough concern.

Banks and finance houses took the brunt of the sell-off, but shares of select, export-led industries, also, had a difficult time of it as the following TARGET list of losers illustrates:

Banks/Finance Houses/Stockbrokerages

Aeon	Down 5.29 percent to 2,955 yen per share
Daiwa Bank Holding	Down 2.20 percent to 89 yen per share
Daiwa House	Down 2.69 percent to 724 yen per share
Daiwa Securities	Down 5.36 percent to 636 yen per share
Kokusai Securities	Down 5.97 percent to 693 yen per share
Mitsui Trust and Bank	Down 5.96 percent to 284 yen per share
Mitsubishi Tokyo Financial Group	Down 1.67 percent to 884,000 yen per share
Mizuho Holdings	Down 6.70 percent to 266,000 yen per share
New Japan Securities	Down 2.29 percent to 171 yen per share
Nikko Cordial*	Down 4.32 percent to 554 yen per share
Nomura Holdings*	Down 2.00 percent to 1,568 yen per share
Sumitomo Mitsui Banking*	Down 5.56 percent to 646 yen per share
Sumitomo Trust	Down 4.54 percent to 610 yen per share
UFJ	Down 12.10 percent to 284,000 yen per share

\* Among the most active counters of the day

Electronics

Advantest	Down 4.44 percent to 4,520 yen per share
Fuji Electric	Down 2.83 percent to 275 yen per share
Fuji Photo Film	Down 3.03 percent to 3,520 yen per share
JVC	Down 4.55 percent to 672 yen per share
Kyocera	Down 2.94 percent to 7,910 yen per share
Mitsubishi Electric	Down 2.29 percent to 384 yen per share

NEC	Down 3.24 percent to 568 yen per share
Pioneer	Down 2.13 percent to 1,972 yen per share
Sharp	Down 3.34 percent to 1,130 yen per share
TDK	Down 3.59 percent to 4,560 yen per share
Tokyo Electron	Down 3.65 percent to 4,490 yen per share
Toshiba Corporation*	Down 2.96 percent to 361 yen per share

\* Among the most active counters of the day

#### Motors

Daihatsu Motor	Down 2.99 percent to 422 yen per share
Hino Motors	Down 2.11 percent to 324 yen per share
Isuzu Motors	Down 3.17 percent to 61 yen per share
Kawasaki Heavy Industrial	Down 4.03 percent to 119 yen per share
Mazda*	Down 4.55 percent to 273 yen per share
Nissan Motors	Down 2.32 percent to 883 yen per share
Suzuki Motor	Down 3.28 percent to 1,328 yen per share
Toyota Motor	Down 2.24 percent to 3,060 yen per share

\* Among the most active counters of the day

The ratio of losers to gainers was about 5.27:One.

In other Asian bourses, this is the way that things went to bed, last Tuesday night:

Indonesia	Minus 2.81 percent to 407.51
Japan	Minus 2.36 percent to 9,162.26
Malaysia	Plus 1.09 percent to 644.99
The Philippines	Minus 1.20 percent to 1,115.78
Singapore	Plus 0.23 percent to 1,355.47
South Korea	Plus 0.88 percent to 652.13
Taiwan	Minus 0.69 percent to 4,162.77

Thailand	Plus 0.57 percent to 333.69
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## Wednesday

And the big question on Wall Street, last Tuesday, was: Who can manufacture the best-sounding reason to explain the one-day boom on the second day of trading on the world's largest equity market?

Because, on The New York Stock Exchange, last Tuesday, the Dow Jones Industrial Average put on a sterling performance, gaining 346.86 points, or about 4.57 percent, rising to 7,938.79 points.

Such a gain had not been seen for weeks, months, years, decades, perhaps even centuries, according to the purveyors of stories on trading floors.

Forgotten, it appeared, was the pending war between the West and the Middle East (or the US/United Nations's Coalition Forces and Iraq).

Forgotten, it appeared, were the deep-rooted problems in respect of the US economy.

Forgotten, it appeared, were the problems, facing corporate America.

Buy! Buy! Buy!

The call went out as brokers scurried here and there in their attempts to keep the fires burning brightly on investors' hearths.

*'September is behind us!'* one female commentator announced in a stentorian voice on US national television. *'September is, historically, the worst month for Wall Street. It's the end of the third quarter, you know. Now, October is here. It's wonderful! It's great!'*

Very sound reasoning. Some plebeians, no doubt, swallowed it.

Aside from September, being over, and October, being the flavour of the month, little else had changed, actually, here, there, or anywhere.

Iraq had come to some kind of an agreement with the United Nations over the return of weapons inspectors to the rogue, Middle-Eastern State, but not much else had taken place.

Regardless of the reasons, Wall Street was all aglow with excitement and activity.

As for the NASDAQ's Composite Index, it followed the pattern of trading, set by the Big Board of The New York Stock Exchange, and gained 41.66 points, equivalent to about 3.55 percent, rising to 1,213.72 points.

The gains of Wall Street on Tuesday were taken with a grain of salt in Asia, however, and were marked down as being nothing more than a technical rebound.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index gained about 0.41 percent, running back to 9,109.35 points on a Total Turnover of about \$HK6.18 billion.

While the Hang Seng Index was in positive territory, there were more losers than gainers, the ratio, being 1.27:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)

Up 0.62 percent to \$HK80.75 per share

China Mobile (Hongkong) Ltd (Code: 941)	Up 2.78 percent to \$HK18.50 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.77 percent to \$HK44.40 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.81 percent to \$HK48.80 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.44 percent to \$HK45.60 per share
CLP Holdings Ltd (Code: 2)	Up 0.31 percent to \$HK32.50 per share
CNOOC Ltd (Code: 883)	Up 2.30 percent to \$HK11.10 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.31 percent to \$HK82.00 per share
Hongkong Electric Holdings Ltd (Code: 6)	Down 0.91 percent to \$HK32.70 per share
The Hongkong and China Gas Company Ltd (Code: 3)	Down 1.44 percent to \$HK10.30 per share

The double-digit movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959	16.67		0.028
CCT Technology Holdings Ltd	261	23.81		0.026
Century Legend (Holdings) Ltd	79	12.50		0.018
China Fair Land Holdings Ltd	169		16.22	0.31
China Sci-Tech Holdings Ltd	985		16.22	0.031
Dan Form Holdings Company Ltd	271		14.06	0.11
eSun Holdings Ltd	571		10.14	0.31
Everbest Century Holdings Ltd	578		13.33	0.013
GeoMaxima Energy Holdings Ltd	702		14.04	0.49
Harmony Asset Ltd	428		10.00	0.036
Hua Lien International (Holding) Company Ltd	969		18.18	0.36
Magician Industries (Holdings) Ltd	526	57.89		0.12
Magnificent Estates Ltd	201	12.50		0.018
Multifield International Holdings Ltd	898		17.48	0.118
Rivera (Holdings) Ltd	281		10.29	0.305
Same Time Holdings Ltd	451		11.43	0.062
Shanghai Century Holdings Ltd	755	11.54		0.29
Shell Electric Manufacturing (Holdings) Company Ltd	81	29.23		0.84
Star East Holdings Ltd	198		13.04	0.02
Swank International Manufacturing Company Ltd	663		35.90	0.05
Vision Tech International Holdings Ltd	922	20.21		0.113
Wah Nam Group Ltd	159	75.00		0.182
Winfoong International Ltd	63	11.89		0.16
Wo Kee Hong (Holdings) Ltd	2976	23.33		0.148
Yanion International Holdings Ltd	82		14.77	0.75
Zhejiang Glass Company Ltd	739	18.42		0.90
Zhongda International Holdings Ltd	909	12.36		0.20



From the Li Ka Shing Camp came news that it was selling 5 percent of its equity holdings in Hutchison Telephone and Hutchison 3G HK Holdings to NEC of Japan for about \$US73 million (about \$HK569.40 million).

The deal will reduce Hutchison Whampoa's stake in the 2 companies from 74.63 percent to about 71 percent.

NTT DoCoMo, of Japan, holds about 24 percent of the equity in these 2 companies.

Also, from The Great Man's halls of power came news that Hutchison Whampoa Ltd was scrapping its plans to sell about \$US1.45 million-worth of euro and sterling bonds (equivalent to about \$HK11.31 billion).

The company gave, as the reason for the withdrawal, the poor state of the euro and sterling bond markets.

Translation: The company was unlikely to be successful in raising the money that it required to roll over some of its debts.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Great Man's listings, also, did very poorly in a very weak market – which looked to be getting weaker, too.

The Growth Enterprise Index gave up about 2.33 percent of its value, falling to another historic low of 115.41 points.

The Total Turnover was about \$HK55.40 million, with losers, ahead of gainers by the ratio of exactly 2:One.

CK Life Sciences International (Holdings) Incorporated (Code: 8222) and tom.com Ltd (Code: 8001) saw their share prices fall by about 6 percent and 3 percent, respectively.

CK Life Sciences ended the day at a new low of \$HK1.33 per share, while tom.com only fell to \$HK1.74 per share: It was quite clear that there would be more reductions to come.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Cardlink Technology Group Ltd	8066	10.00		0.165
Greencool Technology Holdings Ltd	8056		12.00	0.44
Henderson Cyber Ltd	8023		10.81	0.33
Inworld Group Ltd	8100	11.11		0.15
M Channel Corporation Ltd	8036	16.67		0.07
MediaNation Incorporated	8160		11.72	0.128
Prosperity International Holdings (Hongkong) Ltd	8139		33.67	0.065
Sing Pao Media Group Ltd	8010		12.50	0.35
Sonavox International Holdings Ltd	8226		10.26	0.35
Systek Information Technology (Holdings) Ltd	8103		14.29	0.048
Vital BioTech Holdings Ltd	8193		27.94	0.245

In Japan, there was complete disregard for the antics on Wall Street, with share prices, continuing to fall on Asia's largest bourse.

The Nikkei-225 Stock Average, the key index of The Tokyo Stock Exchange, lost another 112.93 yen, equivalent to about 1.23 percent, falling to a fresh, 19-year low of 9,049.33 yen.

Not since August 17, 1983, had investors seen this point on the Nikkei-225 Stock Average.

Japan was awaiting the outcome of a statement from the newly appointed Financial Services Minister, Mr Heizo Takenaka. (Please see Monday's report on this subject).

Rumours were circulating, last Wednesday, that Mr Heizo Takenaka would be appointing a former Bank of Japan official to the post of a member of a Special Banking Taskforce.

Banking shares lost more ground on the suggestion since uncertainty always tends to rock an unsteady boat.

Some of the big losers on this market were: Tokyo Financial Group, down 2.80 percent to 859,000 yen per share; Sumitomo Mitsui Banking, down 1.70 percent to 635 yen per share; Mizuho Holdings, down 4.50 percent to 254,000 yen per share; and, UFJ Holdings, down 5.30 percent to 269,000 yen per share.

It was not a good day for The Land of The Rising Sun, to be sure.

In other Asian stock markets, this was how things came to rest, last Wednesday:

Indonesia	Plus 0.49 percent to 409.50
Japan	Minus 1.23 percent to 9,049.33
Malaysia	Plus 0.23 percent to 646.47
The Philippines	Minus 0.10 percent to 1,114.70
Singapore	Minus 0.01 percent to 1,355.43
South Korea	Minus 0.62 percent to 648.10
Taiwan	Plus 0.22 percent to 4,171.76
Thailand	Plus 0.52 percent to 335.43

## **Thursday**

Wall Street brokers' histrionics were over – at least, for the time being.

Enough mental orgasms!

Wall Street's gains of Tuesday became a fading memory as Wednesday saw losses on the world's largest stock market.

The Big Board of The New York Stock Exchange saw its Dow Jones Industrial Average go into steep reverse, losing 183.18 points, equivalent to about 2.31 percent, ending the day at 7,755.61 points.

The NASDAQ's Composite Index followed on with a loss of about 26.42 points, or about 2.18 percent, as investors marked down the tech-laden index to 1,187.30 points.

There was little doubt that certain US investors and speculators were pocketing their profits of Tuesday, but the rationale for the massive gains of Tuesday boggled the imagination of most, right-thinking people.

While the concerns over Iraq and its President, Saddam Hussein, no longer warranted front-page news, other, perhaps just as important considerations, were coming to the fore.

On the West Coast of the US, a lockout by dockworkers of some 29 ports was in full swing.

The West Coast of the US is the entry point for many East Asian countries' goods – Japan, the People's Republic of China (PRC), the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), South Korea, Taiwan, Thailand, Cambodia, Vietnam, etc – and a lockout of these important ports, just as

Christmas deliveries were on the water or were sitting in godowns on US soil, was a portent, which was frightening to many of the staggering Asian economies.

It is estimated that about \$US1 billion-worth of goods pass through these 29 ports, daily.

If the strike of the dockworkers (also known as longshoremen) lasts for a long period of time, it could well put some economies back into recession since they would be unable to ship their goods to their largest trading partner: The United States of America.

In the HKSAR, investors were very savvy to the situation; the 2 stock markets of the territory reacted, accordingly.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up another 1.37 percent of its value, falling back to 8,984.32 points.

The Total Turnover rose to about \$HK6.18 billion – a rising volume of activity is never a good sign on a falling market.

The ratio of losers to gainers was about 3.69:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.55 percent to \$HK79.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 4.30 percent to \$HK46.70 per share
Hutchison Whampoa Ltd (Code: 13)	Down 3.60 percent to \$HK42.80 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.08 percent to \$HK18.30 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.75 percent to \$HK44.80 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.30 percent to \$HK81.75 per share
CLP Holdings Ltd (Code: 2)	Down 0.31 percent to \$HK32.40 per share
CNOOC Ltd (Code: 883)	Down 0.90 percent to \$HK11.00 per share
Esprit Holdings Ltd (Code: 330)	Down 5.65 percent to \$HK10.85 per share
PetroChina Company Ltd (Code: 857)	Unchanged at \$HK1.55 per share

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959	10.71		0.031
Alpha General (Holdings) Ltd	73		10.53	0.017
Bestway International Holdings Ltd	718		15.00	0.017
Boto International Holdings Ltd	585		12.82	0.034
Can Do Holdings Ltd	172		11.43	0.031
Chevalier Construction Holdings Ltd	579		10.00	0.09

China Online (Bermuda) Ltd	383	11.11		0.03
China Star Entertainment Ltd	326		10.71	0.50
Coastal Realty Group Ltd	1124	10.00		0.088
Cosmopolitan International Holdings Ltd	120		10.53	0.51
Dongfang Electrical Machinery Company Ltd	1072		10.53	0.68
G-Prop (Holdings) Ltd	286	10.00		0.011
Hanny Holdings Ltd	275		13.79	0.025
Hongkong Construction (Holdings) Ltd	190	10.53		0.42
Hop Hing Holdings Ltd	47	13.79		0.33
K.P.I. Company Ltd	605		12.38	0.092
Kee Shing (Holdings) Ltd	174		11.36	0.39
Lai Sun Development Company Ltd	488		10.00	0.063
Massive Resources International Corporation Ltd	70		10.20	0.044
Oriental Metals (Holdings) Company Ltd	1208		16.67	0.10
renren Holdings Ltd	59		10.42	0.043
Shun Cheong Holdings Ltd	650		10.00	0.072
Shun Ho Technology Holdings Ltd	219		10.53	0.102
Softbank Investment International (Strategic) Ltd	648		10.98	0.146
Star East Holdings Ltd	198		10.00	0.018
Tack Hsin Holdings Ltd	611		11.11	1.80
Theme International Holdings Ltd	990	11.11		0.03
Vanda Systems and Communications Holdings Ltd	757		10.53	0.34
Vision Tech International Holdings Ltd	922	14.16		0.129
Wah Nam Group Ltd	159	25.27		0.228
Wo Kee Hong (Holdings) Ltd	2976		12.16	0.13

As is apparent from TARGET's list of the Ten Most Actives, Mr Li Ka Shing's companies had a rather poor showing.

In fact, the share price of Hutchison Whampoa hit a 4-year low of \$HK42.20 before righting itself to end the day at \$HK42.80.

But his other major holding on the Main Board of The Stock Exchange of Hongkong Ltd had even a worse day.

PCCW Ltd, formerly known as Pacific Century CyberWorks Ltd, Stock Code Number 8, nearly entered the ranks of the penny stocks as investors marked down its share price by about 6.31 percent, to a new low of \$HK1.04.

And, on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Great Man's 2 listings, also, fell hard to an avalanche of sellers.

The Growth Enterprise Index gave up another 2.96 percent of its value, falling to a new low of 111.99 points on an increased Total Turnover of about \$HK102.75 million.

The ratio of losers to gainers was 3.75:One.

Outstanding losers were: CK Life Sciences International (Holdings) Incorporated (Code: 8222), off about 7 percent to \$HK1.24 per share (a new low); tom.com Ltd (Code: 8001), down about 6 percent to \$HK1.64 per share (not a new low); and SUNeVision Holdings Ltd (Code: 8008), off 6 percent to 87 cents per share (another new low).

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Multimedia Ltd	8061		14.29	0.03
Blu Spa Holdings Ltd	8176	17.14		0.082
M Channel Corporation Ltd	8036		14.29	0.06
Media Partners International Holdings Incorporated	8072		11.11	0.24
Panorama International Holdings Ltd	8173	13.79		0.066
Prosperity International Holdings (Hongkong) Ltd	8139		23.08	0.05
Rojam Entertainment Holdings Ltd	8075		21.26	0.10
Systek Information Technology (Holdings) Ltd	8103		14.58	0.041
Thiz Technology Group Ltd	8119		12.28	0.10
Wafer Systems Ltd	8198		12.00	0.22

Japan's 3 equity markets hit a new, 19-year low as investors bailed out of stocks and shares in a hurry.

The US West Coast Dockers Strike was just beginning to take its toll on the nerves of Japanese investors, who had, already, been hit with one economic problem after another over the past decade or so.

They were more than a little concerned about the state of their economy and the lack of Government definitiveness with regard to correcting the economy's direction, which is, still, in recession after successive Governments have failed to improve the situation in the world's second-largest economy.

On The Tokyo Stock Exchange, the premier bourse of the country, its Nikkei-225 Stock Average lost 112.90 yen, equivalent to about 1.25 percent, falling below the 9,000-yen mark to 8,936.43 yen.

The ratio of losers to gainers was about 2.03:One.

The Big 4 Banks, all, had a disastrous day:

Mitsubishi Tokyo Financial Group	Down 2.90 percent to 834,000 yen per share
Mizuho Holdings	Down 15.80 percent to 214,000 yen per share
Sumitomo Mitsui Banking	Down 6.80 percent to 592 yen per share
UFJ Holdings	Down 14.90 percent to 229,000 yen per share

Japan is gravely concerned about many aspects of the world's economy, with the coming war between Iraq and the US/United Nations, having to take a back seat to the West Coast Dockers Strike – which can have an immediate and terrible affect on the economy of the country as well as cascading round East Asia.

In other Asian countries, this was the situation on their equity markets, last Thursday:

Indonesia	Minus 0.26 percent to 408.43
Japan	Minus 1.25 percent to 8,936.43
Malaysia	Minus 0.01 percent to 646.42
The Philippines	Minus 1.02 percent to 1,103.28
Singapore	Minus 0.25 percent to 1,351.98
South Korea	Closed

Taiwan	Minus 2.30 percent to 4,075.98
Thailand	Plus 0.33 percent to 336.55

## **Friday**

Continuing concerns over the West Coast Dockers Strike (Please see Thursday's report) caused many investors to steer clear of equity markets throughout Asia, last Friday.

Wall Street saw a continued paring of share prices on the world's largest stock markets, last Thursday, and the NASDAQ's Composite Index fell another 21.74 points, equivalent to about 1.83 percent, ending the session at 1,165.56 points.

One US company after another gave warnings about its prospects for this year and the next.

The icy fingers of lower, or no, profits dogged US investors on Wall Street, the centre of trade in the US.

On The New York Stock Exchange, the Big Board's Dow Jones Industrial Average was forced to surrender another one half of a percentage point, falling back to 7,717.19 points.

And more losses were almost sure to come in future trading sessions because there was nothing on the horizon that could be seen to cushion the impending falls.

Asia was taking careful note of the antics of Wall Street – and not liking it, very much.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index squeezed out a gain of about 0.75 percent, ending the week at 9,051.37 points.

The Total Turnover of the day was about \$HK4.78 billion while the ratio of gainers to losers was tight, at about 1.06:One.

It was only in the 90-minute afternoon session that the Hang Seng Index was able to go into the plus column because, during the morning session, to 12:30 pm, there had been almost no movement in the Hang Seng Index, at all.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.63 percent to \$HK80.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 3.01 percent to \$HK18.85 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.23 percent to \$HK42.70 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Unchanged at \$HK46.70 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.01 percent to \$HK45.70 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.31 percent to \$HK82.00 per share
Henderson Land Development Company Ltd (Code: 12)	Down 0.66 percent to \$HK22.65 per share
PCCW Ltd (Code: 8)	Down 2.88 percent to \$HK1.01 per share

Li and Fung Ltd (Code: 494)

Up 2.88 percent to \$HK7.15 per share

Huaneng Power International Incorporated  
(Code: 902)

Down 5.74 percent to \$HK5.75 per share

The counters that saw the biggest movements in their share prices included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959	16.13		0.036
Can Do Holdings Ltd	172	16.13		0.036
Central China Enterprises Ltd	351		10.00	0.045
China Fair Land Holdings Ltd	169		14.29	0.27
China United Holdings Ltd	273	21.15		0.063
Chuang's China Investments Ltd	298		12.23	0.165
Deson Development International Holdings Ltd	262	15.00		0.023
e2-Capital (Holdings) Ltd	378		13.04	0.20
Earnest Investments Holdings Ltd	339	22.22		0.022
Everbest Century Holdings Ltd	578	15.38		0.015
Global Trend Intelligent Technologies Ltd	691	10.17		0.325
Gold Wo International Holdings Ltd	2966	12.50		0.09
Greater China Sci-Tech Holdings Ltd	431		15.38	0.011
Guangdong Kelon Electrical Holdings Company Ltd	921		10.84	0.74
Hongkong Construction (Holdings) Ltd	190		14.29	0.36
KTP Holdings Ltd	645		12.28	0.25
Kwong Hing International Holdings (Bermuda) Ltd	1131	11.76		0.038
Nam Fong International Holdings Ltd	1176		27.27	0.016
New World CyberBase Ltd	276	16.67		0.014
Paladin Ltd	495		12.50	0.035
Perfectech International Holdings Ltd	765	11.11		0.60
Premium Land Ltd	164	13.04		0.26
renren Holdings Ltd	59	11.63		0.048
Sino Technology Investments Company Ltd	1217	15.38		0.30
Swank International Manufacturing Company Ltd	663		34.00	0.033
Tack Hsin Holdings Ltd	611		32.78	1.21
Topsearch International (Holdings) Ltd	2323	10.00		0.99
Wo Kee Hong (Holdings) Ltd	720		45.38	0.071
Zhongda International Holdings Ltd	909	12.50		0.225

Mr Li Ka Shing's PCCW Ltd announced to The Stock Exchange of Hongkong Ltd that it had noted the decrease in its share price, but did not know the reason that it had fallen out of bed.

TARGET would have been only too happy to explain to The Great Man as to the reason for the falls in the share price of the company over the past few months, falls that culminated in the share price, joining the ranks of the *'penny stocks'*.

Mr Lee Shau Kee's major listing, Henderson Land Development Company Ltd (Code: 12), announced that it had enjoyed a 51-percent drop in its Bottom Line for its Financial Year, ended June 30, 2002.

The Net Profits Attributable to Shareholders fell from the 2001 figure of about \$HK4.39 billion to the 2002 Bottom Line of about \$HK2.15 billion.

Property development in the Hongkong Special Administrative Region (HKSAR) of the PRC had dropped to about \$HK1.74 billion, during the Year, down from the 2001 figure of about \$HK5 billion.

As for Mr Lee Shau Kee's other major listing on the Main Board of The Stock Exchange of Hongkong Ltd, it, too, suffered poorly in the past Financial Year.

Henderson China Holdings Ltd (Code: 246) saw its 2002 Net Profit Attributable to Shareholders fall to about \$HK132.89 million, down from 2001 when it logged in a Bottom Line of about \$HK167.72 million.

Mr Lee Shau Kee, at one time, was a rival of The Great Man, being one of Asia's richest men.

As the saying goes: *'How the mighty have fallen!'*

For the 4-day trading week, the Hang Seng Index had lost 243.09 points, equal to a loss of about 2.62 percent, compared with the previous week's closing level.

As for The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it continued to live up to its international reputation of being the worst-performing equity market in the world.

The Growth Enterprise Index lost another 0.27 percent of its value, last Friday, ending the week at 111.69 points, having lost ground every day, last week.

The tally for the week was that The Growth Enterprise Index had shed about 6.69 percent of its value.

Last Friday's session saw the Total Turnover of this speculative market fall to about \$HK51.74 million, with losers, outpacing gainers by the ratio of about 2.05:One.

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Goldigit Atom-Tech Holdings Ltd	8059		10.56	0.161
Panorama International Holdings Ltd	8173		12.12	0.058
Prosperity International Holdings (Hongkong) Ltd	8139	14.00		0.057
Thiz Technology Group Ltd	8119		20.00	0.08
Timeless Software Ltd	8028	13.54		0.218
Trasy Gold EX Ltd	8063		17.65	0.028

In Japan, a 4-day losing streak was broken, but only just.

The Nikkei-225 Stock Average, the *'barometer'* of trading on The Tokyo Stock Exchange, gained 91.12 yen, or about 1.02 percent, ending the week at 9,027.55 yen.

Banking counters continued to be battered (Please see Thursday's report), with Sumitomo Mitsui Banking, dropping another 4.60 percent of its market capitalisation, ending the week at 565 yen per share, and UFJ had to surrender another 4.80 percent of its value, falling to 218,000 yen per share.

The main cause for concern in The Land of The Rising Sun, last Friday, was that the solution to the country's banking problems might be too tough a nut for many banks and its investors to bite.

While there were some bright spots in the market, last Friday, generally, it was a pretty dull session on Asia's largest stock market.

For the week, therefore, the Nikkei-225 Stock Average had given up 502.89 yen, equivalent to about 5.28 percent, Week-on-Week.



This is the way that other Asian bourses ended for the week of October 4, 2002:

Indonesia	Closed
Japan	Plus 1.02 percent to 9,027.55
Malaysia	Minus 0.36 percent to 644.09
The Philippines	Minus 0.15 percent to 1,101.64
Singapore	Plus 1.15 percent to 1,367.57
South Korea	Plus 0.44 percent to 650.92
Taiwan	Minus 0.20 percent to 4,067.79
Thailand	Plus 1.30 percent to 340.92

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