

ASIAN STOCK MARKETS RECEIVE ANOTHER 'HAIRCUT'

Shocking acts of terrorism, around the world, hugged the headlines for the most part at the opening of Asian stock markets, last Monday, with the Moscow theatre hostage crisis and the eventual deaths of more than 120 people, due to the Russian Government's decision to flood the theatre with a secret gas, taking precedence over all else.

And, when a US Government employee was shot and killed in Jordan, late Monday afternoon, many Asian investors did not know what to think.

The fact that Wall Street had made substantial gains, the previous Friday, was completely discounted due to the events that took place over the weekend of October 26-27 and, again, on Monday, October 28.

In Asia, territorial considerations with regard to equity markets took priority over international events – because it was becoming increasingly difficult to understand and to forecast how an act of terrorism in Jordan, Russia, Indonesia and/or The Philippines could impact on another country/territory in the region.

On The Stock Exchange of Hongkong Ltd, the Hang Seng Index, the blue-chip index of the Main Board, gained about 1.35 percent, hitting 9,853.74 points by the close of trading.

The Total Turnover was low, at about \$HK4.89 billion, with gainers, outrunning losers by the ratio of 1.43:One.

The Turnover suggested that the seemingly rising market was not to be completely believed.

Most sectors of the market made material gains, with the lone exception of the Miscellaneous Sector, whose Sectorial Index lost 3.68 percent of its value.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.87 percent to \$HK87.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 2.48 percent to \$HK51.75 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 2.33 percent to \$HK55.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 1.95 percent to \$HK20.95 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.70 percent to \$HK50.75 per share
China Unicom Ltd (Code: 762)	Up 0.94 percent to \$HK5.35 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.29 percent to \$HK84.75 per share
CNOOC Ltd (Code: 883)	Up 1.53 percent to \$HK9.95 per share
Swire Pacific Ltd – “A” Share (Code: 19)	Up 3.30 percent to \$HK34.40 per share
CITIC Pacific Ltd (Code: 267)	Up 2.06 percent to \$HK17.35 per share

As for the double-digit movers, there were, in total, 34 of those, with gainers and losers, being exactly equal.

Harmony Asset Ltd (Code: 428) was the biggest gainer of the day as investors pushed up its share price by about 70.59 percent to 5.80 cents per share.

Sen Hong Resources Holdings Ltd (Code: 76) was the biggest loser of the day, dropping back to 8.05 cents per share, a one-day fall of about 39.29 percent.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, shareholders on this speculative marketplace were treated to a very dull trading session as The Growth Enterprise Index gave up about 0.38 percent of its value, falling back to 116.41 points.

The Total Turnover on this market was about \$HK92.79 million, with the ratio of losers to gainers, being about 1.38:One.

Once again, as with the Main Board, the low Turnover suggested that major losses could well be on the cards because, as the saying goes, a market that cannot rise, must fall: It never stays still.

Mr Li Ka Shing's 2 GEM listings continued to be the busiest counters of the day, but both counters saw little movement in their share prices.

CK Life Sciences International (Holdings) Incorporated (Code: 8222) lost 0.01 percent of its market capitalisation, falling to \$HK1.45 per share, while tom.com Ltd (Code: 8001) stayed pat about \$HK2.075 per share.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Changmao Biochemical Engineering Company Ltd	8208		11.11	0.40
Essex Bio-Technology Ltd	8151		24.85	0.127
Town Health International Holdings Company Ltd	8138	11.24		0.099
Trasy Gold EX Ltd	8063	15.79		0.022
Wanasports Holdings Ltd	8020		10.42	0.129
Zheda Lande Scitech Ltd	8106	12.36		0.50

In The Land of The Rising Sun, after a quick sell-off on The Tokyo Stock Exchange, investors appeared to pluck up courage and lifted the Nikkei-225 Stock Average to 8,757.51 yen, a gain of about 0.36 percent over the previous Friday's close.

The ratio of gainers to losers was 1.03:One.

There were only a few big movers on the premier stock market of Japan in spite of suggestions that the Government of Prime Minister Junichiro Koizumi would endorse a package of measures, aimed at alleviating the bad-debt crisis that has been plaguing the country's banks for the past decade or so.

Honda Motor Company announced that it had posted a record Consolidated Net Profit of about 194.78 billion yen for the April-September half year.

That result represented an increase of about 12.10 percent from the like period in 2001.

Hino Motors Ltd delighted its shareholders by announcing that its midterm Group Net Profit had risen 30 times, Year-on-Year, to 3.74 billion yen.

Hino Motors is a subsidiary of Toyota Motor Corporation and is the biggest manufacturer of lorries in Japan.

By and large, however, things were relatively quiet on the largest stock market in Asia, last Monday, as the most-populous part of the world waited to see what would transpire when Wall Street opened for business.

In other parts of Asia, this was the way that things came to rest, last Monday night:

Indonesia	Plus 2.27 percent to 361.68
Japan	Plus 0.36 percent to 8,757.51
Malaysia	Plus 1.08 percent to 662.78
The Philippines	Plus 1.45 percent to 1,047.05
Singapore	Plus 0.40 percent to 1,477.99
South Korea	Plus 3.39 percent to 678.14
Taiwan	Plus 0.82 percent to 4,601.37
Thailand	Plus 2.57 percent to 357.42

Tuesday

As had been widely anticipated, Wall Street turned sour, last Monday, New York time.

Too many negative factors were adversely affecting investor sentiment.

On The New York Stock Exchange, the Dow Jones Industrial Average lost 75.95 points, equivalent to about 0.90 percent, ending the day at 8,368.04 points.

As for the Composite Index of the tech-laden NASDAQ, it shed 15.32 points, or about 1.15 percent, dropping back to 1,315.81 points.

Investors on the largest bourses in the world were concerned that the US economy was turning much lower, lower that is than had been anticipated.

It had been only one week prior that the US Commerce Department had announced that US factory orders for high-priced, durable goods had fallen by about 5.90 percent in the month of September, Year-on-Year, representing the largest monthly decline in the previous 10 months.

While some popular companies were making their investors a little happy, with news of improved earnings in the past quarter, the number of companies, reporting declining profits, far outweighed those with improved earnings.

One had to bear in mind that the profits' base for many companies, listed on US equity markets, had been shifted down, considerably, to very low levels, relative to just a few years ago, in order to account for financial disasters in days of yore.

Troubled telecommunications company, Qwest Communications International Incorporated, announced that it may have to write off, or make Provisions for, a further \$US40.80 billion.

That amount of money is akin to the annual budgets of many Eastern European countries and represents the total assets of some South Pacific island economies: It is massive, by any standard.

Qwest Communications is being investigated by the US Authorities with regard to its accounting practices in the past.

In Europe, last Tuesday, the situation looked grim on major equity markets:

Amsterdam's AEX	Down 4.34 percent
Germany's DAX	Down 5.53 percent
Great Britain's FTSE100	Down 3.78 percent
Italy's MIBTel	Down 3.15 percent
Paris CAC40	Down 4.99 percent
Zurich's SMI	Down 3.00 percent

In Asia, the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) was the leader ... of the losers.

On The Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gave up 2.22 percent of its value, falling to 9,634.67 points, which was close to its lowest level of the day.

The Total Turnover was about \$HK4.64 billion, with losers, outpacing gainers by the ratio of about 4.25:One.

The Finance Sector of the market took the brunt of the selling pressure, pulling down its Sectorial Index by about 1.27 percent.

The Ten Most Active were:

China Mobile (Hongkong) Ltd (Code: 941)	Down 3.58 percent to \$HK20.20 per share
HSBC Holdings plc (Code: 5)	Down 1.44 percent to \$HK85.75 per share
Hutchison Whampoa Ltd (Code: 13)	Down 4.35 percent to \$HK49.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 2.73 percent to \$HK53.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.27 percent to \$HK49.60 per share
China Unicom Ltd (Code: 762)	Down 4.67 percent to \$HK5.10 per share
CLP Holdings Ltd (Code: 2)	Unchanged at \$HK31.50 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK84.75 per share
PetroChina Company Ltd (Code: 857)	Down 2.68 percent to \$HK1.45 per share
PCCW Ltd (Code: 8)	Down 4.96 percent to \$HK1.15 per share

As for the double-digit movers of the day, there were 34 of them in total, of which number, just 6, double-digit movers rose 10 percent or more.

The biggest winner of the day was Asia Standard International Group Ltd (Code: 129), whose share price gained 13.73 percent, rising to 29 cents per share, while China Development Corporation Ltd (Code: 487) was the biggest loser of the day, shedding 26.32 percent of its market capitalisation, falling to 1.40 cents per share.

It was reported that the property sector of the HKSAR market was suffering, badly, with few buyers to be found for anything, be it commercial, industrial or residential properties.

Property prices were falling, rapidly, and are expected to fall 20 percent or more in the coming year.

The majority of the 7 million people in the territory were, clearly, controlling their appetites for any new financial commitments.

On The GEM – The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd – share prices went into reverse gear.

The Growth Enterprise Index lost about 2.90 percent of its value, falling to 113.03 points.

The ratio of losers to gainers was about 5.55:One.

The Total Turnover rose to about \$HK173.34 million, about 87 percent higher than Monday's volume of activity.

Which was not a good sign, considering that the market was falling, quickly.

Once again, Mr Li Ka Shing's 2 GEM listings accounted for a goodly percentage of the entire volume of activity for the day, at about \$HK106.62 million, equivalent to about 61.51 percent.

tom.com Ltd (Code: 8001), the most-active counter of the day, lost 8.43 percent of its market capitalisation, falling to \$HK1.90 per share, while CK Life Sciences International (Holdings) Incorporated (Code: 8222), the second, most-active counter, lost 3.45 percent of its value, falling to \$HK1.40 per share.

The double-digit movers on this speculative bourse included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CyberM International (Holdings) Ltd	8017		11.00	0.178
Essex Bio-Technology Ltd	8151		14.96	0.108
Golden Meditech Company Ltd	8180		11.76	1.05
iAsia Technology Ltd	8101		13.46	0.09
MediaNation Incorporated	8160		13.42	0.20
PINE Technology Holdings Ltd	8013		15.73	0.15
Sing Lee Software (Group) Ltd	8076	14.55		0.63
Sonavox International Holdings Ltd	8226		10.00	0.27
Town Health International Holdings Company Ltd	8138		10.10	0.089

In Japan, the premier stock market was, relatively, quiet, losing 48.75 yen, or about 0.56 percent, falling to 8,708.76 yen.

Losers outpaced gainers by the ratio of 1.93:One.

In spite of the fractional loss on the largest stock market in Asia, there were some material losses in the share price of some of the major companies.

Motor vehicle manufacturer, Honda Motor Company, saw its share price shaved down by about 13.44 percent to 4,380 yen, a low for the year.

Honda is Japan's second-largest producer of motor vehicles.

As though tainted by Honda, other motors followed its lead:

Toyota Motor Corporation	Down 4.15 percent to 3,000 yen per share
Nissan Motor Company Ltd	Down 3.54 percent to 955 yen per share

Against the negative news, Sony Corporation announced that, for the first half of its Financial Year, it had registered a Pre-Tax Profit of about 165.50 billion yen, compared with a 13.70-billion yen Pre-Tax Loss for the comparable 6 months in 2001.

Takefuji Ltd, Japan's largest consumer finance company, announced that its Net Profits for the first half of its Financial Year had fallen to about 53.20 billion yen, a 20-percent drop, Year-on-Year.

Takefuji's share price shed about 4.30 percent of its value, falling back to 5,360 yen.

From the largest maker of personal computers in Japan, Fujitsu Ltd, came news that its Consolidated Net Loss for the first 6 months of this year had been 147.40 billion yen.

In the 2001 first half, this company reported a Consolidated Net Loss of about 147.70 billion yen.

No joy here.

Fujitsu's share price actually rose by about 3.50 percent to 443 yen on the news.

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

Indonesia	Plus 0.07 percent to 361.92
Japan	Minus 0.56 percent to 8,708.76
Malaysia	Minus 0.28 percent to 660.94
The Philippines	Minus 0.13 percent to 1,045.70
Singapore	Minus 1.90 percent to 1,449.93
South Korea	Minus 0.73 percent to 673.18
Taiwan	Minus 1.03 percent to 4,554.13
Thailand	Minus 0.97 percent to 353.95

Wednesday

As had been widely anticipated, once more red ink flowed on Asia's most important bourses, with just a few exceptions.

Concern over the US economy was the bugbear, by and large – and rightly so, too.

On Wall Street, last Tuesday, there was a frightening display of investor concern, as shareholders took to the trading floors, early in the session, in a mad dash to try to sell stocks and shares.

As a result, The New York Stock Exchange's Dow Jones Industrial Average surrendered 170-odd points, equivalent to more than 2 percent of Monday's closing level.

Bargain-basement, clean-up buying pulled up The Dow in the latter part of the session, resulting in The Dow, ending the day at 8,368.94 points, a fractional improvement of about 9 tenths of a point on Monday's last trade.

The NASDAQ, however, never saw black ink: Investors pulled down the Composite Index by about 1.16 percent. The last transaction put the Composite Index at 1,300.54 points.

Wall Street had, last Monday and Tuesday, just woken up to the findings of the US Federal Reserve Board in respect of consumer confidence and other important matters, relating to the US economy.

(Please see [TARGET Intelligence Report, Volume IV, Number 205, published on Wednesday, October 30](#), for full analysis of that situation)

In Asia, last Wednesday, there was widespread consternation among the citizenry of most territories because one was not certain what action to take, either in the short term or in the intermediate term.

Every country in Asia was suffering from (a) territorial considerations with regard to the various economies (b) terrorism, or the threat of terrorism (c) flagging exports to major markets, of which the US, of course, is the largest market of all, and (d) regional corporate failures as a direct result of the prolonged slump in the economies of North America and Western Europe.

On The Stock Exchange of Hongkong Ltd, the Main Board continued to lose steam as its Hang Seng Index gave up another 0.77 percent of its value, ending the day at 9,560.46 points.

The afternoon session was especially quiet, with The Index, moving only 0.61 of a point, during the entire 90-minute, trading session.

The Total Turnover was about \$HK4.74 billion, with losers ahead of gainers by the ratio of 1.28:One.

The Ten Most Actives were:

China Mobile (Hongkong) Ltd (Code: 941)	Down 2.72 percent to \$HK19.65 per share
HSBC Holdings plc (Code: 5)	Unchanged at \$HK85.75 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.82 percent to \$HK48.60 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 2.34 percent to \$HK52.25 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.60 percent to \$HK49.30 per share
China Unicom Ltd (Code: 762)	Down 3.92 percent to \$HK4.90 per share
Chaoda Modern Agriculture (Holdings) Ltd (Code: 682)	Down 23.81 percent to \$HK1.60 per share
CLP Holdings Ltd (Code: 2)	Up 1.27 percent to \$HK31.90 per share
PCCW Ltd (Code: 8)	Down 2.61 percent to \$HK1.12 per share
Tracker Fund of Hongkong (Code: 2800)	Down 0.51 percent to \$HK9.80 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Applied (China) Ltd	472	12.00		0.056
Chaoda Modern Agriculture (Holdings) Ltd	682		23.81	1.60
China Agrotech Holdings Ltd	1073	16.18		0.79
China Rich Holdings Ltd	1191		10.81	0.066
Cosmos Machinery Enterprises Ltd	118		13.79	0.25
Heng Fung Holdings Ltd	185	10.00		0.066
K. P. I. Company Ltd	605	14.29		0.12
Matsunichi Communication Holdings Ltd	283		12.00	0.33
New City (Beijing) Development Ltd	456		15.15	0.28

People's Food Holdings Ltd	708		14.29	4.80
Sen Hong Resources Holdings Ltd	76		24.32	0.56
Soundwill Holdings Ltd	878	25.00		0.035
Swank International Manufacturing Company Ltd	663	10.00		0.055
TechCap Holdings Ltd	673		10.00	0.63
Wealthmark International (Holdings) Ltd	39		13.33	0.52
Wo Kee Hong (Holdings) Ltd	720	11.43		0.078
Zhu Kuan Development Company Ltd	908		10.17	0.265
Zida Computer Technologies Ltd	859		22.50	0.31

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar story to that, being told in the Main Board.

The Growth Enterprise Index shed about 0.42 percent, ending the day at 112.56 points.

The Total Turnover was about \$HK95.37 million, with declining counters, outpacing advancing ones by the ratio of about 3.19:One.

There was little news from any GEM-listed company, news, that is, of any great importance.

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
CyberM International (Holdings) Ltd	8017		38.20	0.11
Essex Bio-Technology Ltd	8151	16.67		0.126
Golden Meditech Company Ltd	8180		13.33	0.91
M Channel Corporation Ltd	8036		26.83	0.03
MediaNation Incorporated	8160		12.50	0.175
Panorama International Holdings Ltd	8173	10.26		0.086

In Japan, share prices edged slightly higher, following the release of the Government's economic package with regard to the bad-debt crisis that has been plaguing the country's banks for the past decade or so.

The Government said that it would inject one trillion yen (about \$US8.20 billion) in tax reductions into the economy in order to assist the situation, overall, and, in addition, try to speed up the write-off of bad debts.

The idea, Prime Minister Junichiro Koizumi announced, will be to implement *'our financial renewal programme with the aim of resolving the bad-loan problems in the year to March 2005.'*

The package, put to the country, would include measures to prevent banks from taking on too much risk when lending money to customers.

Not much cop, one could comment.

On The Tokyo Stock Exchange, the key, blue-chip index, the Nikkei-225 Stock Average, gained about 0.55 percent, limping back to 8,756.59 points.

The ratio of gainers to losers was about 1.98:One.

The market had been waiting for more than a fortnight for the Government's package of economic measures, but, when it was announced, it appeared to be somewhat of an anticlimax.

News wise:

Matsushita Electric Industrial Company

The company posted a Group Net Profit of 17.85 billion yen for the first half of its Financial Year, marking a turnabout from the 2001 like half when the company reported a loss of about 69.47 billion yen.

Fujisawa Pharmaceutical Company

The company reported a Consolidated Net Profit of 16.76 billion yen for the April-September period, up about 26.90 percent, Year-on-Year.

Nisseki House Industry Company

This producer of houses for the middle-income bracket population filed for bankruptcy protection from creditors at The Tokyo District Court. It had liabilities of about 17.50 billion yen, as at September 30, 2002, it reported to the Court.

Toyota Motor Corporation

Toyota reported that, for the first half year, to September 30, it had earned 553.80 billion yen, up 90.20 percent, Year-on-Year.

Makita Corporation

This major, power-tool producer reported a Group Net Profit of 3.14 billion yen, up 764.20 percent, Year-on-Year, for the first half year to September 30.

Columbia Music Entertainment Incorporated

The company said that it had incurred a Group Net Loss of 1.47 billion yen for the first half year to September 30.

NTT DoCoMo Incorporated

This premier Japanese mobile telecommunications company said that it would consider freezing all of its overseas investments, henceforth.

In other Asian markets, this was the way that things came to an end, last Wednesday night:

Indonesia	Minus 0.22 percent to 361.12
Japan	Up 0.55 percent to 8,756.59
Malaysia	Minus 0.48 percent to 657.74
The Philippines	Plus 0.27 percent to 1,048.53
Singapore	Up 0.62 percent to 1,458.96
South Korea	Minus 2.25 percent to 658.03
Taiwan	Minus 1.22 percent to 4,498.73
Thailand	Plus 0.30 percent to 355.00

Thursday

The weakness of international equity markets was underscored, last Wednesday night, when it became evident that the October 25 Initial Public Offering (IPO) of China Telecom Corporation Ltd was in trouble, with insufficient global investor support for the \$HK28-billion, fund-raising attempt.

By Thursday morning, it was confirmed: China Telecom would revise its Offer Price and other aspects of the IPO and would have another run at the universal offering, by starting from scratch.

But questions were, already, being raised as to whether or not the company had been '*salting*' the fixed telecommunication company's accounts by raising its prices, just prior to the IPO, being made known.

But the failure of the company, on its first try, to sell its shares in New York and in Asia was telling: It infected other telecommunication companies' share prices.

On top of this, it was announced that American Express would be sacking one employee in every 8 employees, working for the company in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index lost another 1.25 percent of its value, falling to 9,441.25 points on a Total Turnover of about \$HK4.89 billion.

The ratio of losers to gainers was about 2.27:One.

With the lone exception of the Hotels Sector of the market, all other Sectorial Indices were shaved down.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 0.87 percent to \$HK85.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 2.54 percent to \$HK19.15 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.23 percent to \$HK48.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.96 percent to \$HK51.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.42 percent to \$HK48.60 per share
Standard Chartered plc (Code: 2888)	Unchanged at \$HK87.00 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.88 percent to \$HK84.25 per share
Chaoda Modern Agriculture (Holdings) Ltd (Code: 682)	Down 28.13 percent to \$HK1.15 per share
Tracker Fund of Hongkong (Code: 2800)	Down 1.35 percent to \$HK9.50 per share
China Unicom Ltd (Code: 762)	Down 1.02 percent to \$HK4.85 per share

The double-digit movers numbered 38 in all, with 25 counters, falling, and 13 counters, rising.

The biggest gainer of the day was Mascotte Holdings Ltd (Code: 136), the share price of which rose 130.95 percent to 48.50 cents per share.

Shanghai Allied Cement Ltd (Code: 1060) was the biggest loser as its share price fell 33.33 percent to one cent per share.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was another day of losses as The Growth Enterprise Index lost another 0.74 percent, falling to 111.73 points.

It was the fourth consecutive day of losses for this speculative marketplace, which enjoys the worst international reputation in terms of its performance.

The Total Turnover of the day was about \$HK102.60 million, with losing counters, outnumbering gaining ones by the ratio of 1.81:One.

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Angels Technology Company Ltd	8112		15.89	0.90
Blu Spa Holdings Ltd	8176		11.43	0.062
Creative Energy Solutions Holdings Ltd	8109		20.87	0.182
Essex Bio-Technology Ltd	8151		11.11	0.112
Kinetana International Biotech Pharma Ltd	8031		14.17	0.103
M Channel Corporation Ltd	8036		20.00	0.024
Prosperity International Holdings (Hongkong) Ltd	8139		12.50	0.035
Qianlong Technology International Holdings Ltd	8015		15.15	0.28
Riverhill Holdings Ltd	8127		12.93	0.128
Rojam Entertainment Holdings Ltd	8075	13.86		0.115
Timeless Software Ltd	8028		12.35	0.142
Wanasports Holdings Ltd	8020		10.00	0.099
Wanyou Fire Safety Technology Holdings Ltd	8201		10.00	0.315
WLS Holdings Ltd	8021	20.93		0.156
Zheda Lande Scitech Ltd	8106		17.17	0.41

In New York, last Wednesday, the Big Board's Dow Jones Industrial Average edged up 58.47 points, equivalent to about 0.70 percent, running back to 8,427.41 points.

The NASDAQ, on the other hand, saw its Composite Index gain 26.19 points, or about 2.01 percent, recovering some of its lost ground to end the day at 1,326.73 points.

News wise, in the US, there was a lot that was taking place, but most of the really bad news was well known so that many investors determined to stay pat with regard to any new equity plays.

Thursdays and Fridays, in the US, are the days that the US Government delivers its statistical information about the economy: Wall Street, traditionally, waits for this news before making much of a move.

In Japan, it was a bad day for investors as selling picked up on the country's premier stock market, The Tokyo Stock Exchange.

The Nikkei-225 Stock Average lost 116.11 yen, equivalent to about 1.33 percent, falling to 8,640.48 yen.

By and large, there was widespread criticism from Japan's intelligentsia of the Japanese Government's proposed methods in trying to right the good ship, *'Japan Incorporated'*.

As expected, the 4 Big Banks of Japan – which happen to be the largest in the world – all saw fast erosions in their share prices, ranging from about 6 percent to about 2 percent.

The ratio of losers to gainers on The Tokyo Stock Exchange was about 2.99:One.

A bit of a shocker for some Japanese investors was to learn that Foodsnet Corporation, a Kyoto-based, sushi restaurant operator, had filed for Court protection from creditors, announcing that it had liabilities of about 6.80 billion yen.

The company was the forerunner of the conveyor-belt, sushi-counter concept, which has swept Asia since its inception.

Foodsnet Corporation is listed on the Osaka Securities Exchange. It will be delisted from the Second Section on February 1, 2003.

And Japan loves its sushi and sashimi, too!

Good news came from Ricoh Company, the office-machine producer, which informed shareholders that its Consolidated Net Profits had risen by about 18 percent, Year-on-Year, to about 33.53 billion yen.

Trading house, Sumitomo Corporation, announced that its Group Net Profit for the first half, to September 30, had grown by about 5.40 percent, Year-on-Year, to 21.41 billion yen.

This result was in spite of falling sales, during the 6-month period, which sank by about 5.50 percent to 4.57 trillion yen, Year-on-Year.

And, in other parts of Asia, this was the situation in those equity markets, last Thursday:

Indonesia	Plus 2.19 percent to 369.04
Japan	Minus 1.33 percent to 8,640.48
Malaysia	Plus 0.28 percent to 659.57
The Philippines	Closed
Singapore	Plus 0.30 percent to 1,463.37
South Korea	Plus 0.14 percent to 658.92
Taiwan	Plus 1.79 percent to 4,579.14
Thailand	Plus 0.63 percent to 356.90

Friday

Gloom and doom persisted over much of Asia, last Friday, as one company after another announced that it would have to let staff go in order to stay profitable.

The supermarket chain of Hutchison Whampoa Ltd announced that it would have to sack some of its staff, but that, of course, did not include those staff members that had, already, hit the road.

The problems of the US were hurting Asia, more and more as the weeks and months dragged on.

On Wall Street, last Thursday, trading on the largest stock markets of the world was slow, relative to previous sessions.

On the Big Board of The New York Stock Exchange, the Dow Jones Industrial Average lost 30.38 points, or about 0.36 percent, falling back to 8,397.03 points.

The Composite Index of the NASDAQ, on the other hand, gained 3.02 points, equivalent to about 0.23 percent, rising to 1,329.75 points.

There was little to stimulate the market, which was awaiting the US Government's pleasure with regard to industrial production statistics and the employment rate for the month, ended October 2.

In Asia, the situation was, generally, quiet on major equity markets.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors were still smarting from the determination of China Telecom Corporation Ltd, the largest, fixed-line telecommunications company in the PRC, which is owned and operated by the PRC Government. (Please see Thursday's report)

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index lost another 0.36 percent of its value, falling to 9,407.68 points.

The Total Turnover was about \$HK5.11 billion, with trades in the shares of HSBC Holdings plc (Code: 5), representing nearly 13 percent of that figure.

The ratio of losers to gainers was 1.28:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.88 percent to \$HK85.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.04 percent to \$HK18.95 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.42 percent to \$HK48.20 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.48 percent to \$HK51.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Unchanged at \$HK48.60 per share
Hang Seng Bank Ltd (Code: 11)	Down 0.59 percent to \$HK83.75 per share
Standard Chartered plc (Code: 2888)	Up 3.74 percent to \$HK90.25 per share
Swire Pacific - "A" Share (Code: 19)	Down 3.05 percent to \$HK31.80 per share
PetroChina Company Ltd (Code: 857)	Down 1.37 percent to \$HK1.44 per share
CNOOC Ltd (Code: 883)	Down 2.56 percent to \$HK9.50 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959	14.29		0.072
China Motion Telecom International Ltd	989		34.94	0.27
China Treasure (Greater China) Investments Ltd	810	14.81		0.31
CIL Holdings Ltd	479	17.65		0.02
Ezcom Holding Ltd	312	12.90		0.07
Guangdong Tannery Ltd	1058		10.91	0.245
INNOMAXX Biotechnology Group Ltd	340	13.25		0.094
Linmark Group Ltd	915		10.30	1.48
Magician Industries (Holdings) Ltd	526		10.26	0.07
Mascotte Holdings Ltd	136		22.68	0.375
New City (Beijing) Development Ltd	456		15.00	0.17
Playmates Holdings Ltd	635	15.00		0.207
renren Holdings Ltd	59		11.63	0.038
Sen Hong Resources Holdings Ltd	76	26.47		0.86
Sun Hung Kai and Company Ltd	86		11.11	0.80

Swank International Manufacturing Company Ltd	663		18.18	0.045
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For the week, therefore, the Hang Seng Index had shed 3.24 percent of its value.

As for The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it ended the week on another sour note.

The Growth Enterprise Index lost 0.90 percent of its value, falling to 110.72 points on a Total Turnover of about \$HK62.96 million.

The Total Turnover was one of the lowest levels of activity, seen in many a moon.

For the week, ended November 1, therefore, The Growth Enterprise Index had lost ground, every day, and had received a 4.89-percent *'haircut'*.

The biggest movers of last Friday included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Changmao Biochemical Engineering Company Ltd	8208	10.00		0.44
Creative Energy Solutions Holdings Ltd	8109	20.88		0.22
Greencool Technology Holdings Ltd	8056		11.11	0.48
iAsia Technology Ltd	8101	10.00		0.099
Lee's Pharmaceutical Holdings Ltd	8221	12.50		0.45
Timeless Software Ltd	8028	14.08		0.162
Wanyou Fire Safety Technology Holdings Ltd	8201		11.11	0.28
Zheda Lande Scitech Ltd	8106	12.20		0.46

In Japan, the situation could not have been more uninteresting as investors on The Tokyo Stock Exchange considered the trading conditions to be one, big bore.

The Nikkei-225 Stock Average gained 25.24 yen, equivalent to about 0.52 percent, rising to 8,685.72 yen.

The ratio of gainers to losers was about 1.23:One.

Last Friday's closing level meant that the Nikkei-225 Stock Average had lost about 0.46 percent of its value in 5 trading days.

From Hitachi Ltd, it was announced that the company intends to pare about 300 of its subsidiaries over the next 3 years in order to try to boost productivity and profitability.

The company said that its full year Operating Profits are, now, likely to be closer to 150 billion yen, down from its previous estimate of about 200 billion yen.

Other than this announcement, there was little happening in The Land of The Rising Sun as investors prepared for a 3-day weekend, today, being a holiday for workers.

In other Asian stock markets, this was how the week ended:

Indonesia	Plus 0.57 percent to 371.14
Japan	Plus 0.52 percent to 8,685.72
Malaysia	Minus 0.33 percent to 657.38

The Philippines	Closed
Singapore	Minus 2.40 percent to 1,427.60
South Korea	Minus 1.71 percent to 647.65
Taiwan	Minus 1.72 percent to 4,500.55
Thailand	Plus 0.13 percent to 357.68

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