

AL QAEDA STRIKES, AGAIN !
STOCK MARKETS SHRUG OFF THE ATTACKS

Whether or not it was the quiet before the storm, only history will tell, of course, but, with the exception of the 3 stock markets of Japan, Asia was, generally, very dull, last Monday.

Over the weekend of November 23-24, internationally, things could be described as favouring quiescence, relative to the previous few weeks, that is.

In Iraq, the United Nations weapons inspectors had reported no major incidents since their arrival on Iraqi soil, but it was, still, early days: Settling-in time, in fact.

On Wall Street, the previous Friday, trading on most US equity markets had been subdued.

On The New York Stock Exchange on Friday, November 22, the Dow Jones Industrial Average, the blue-chip index of the world's largest stock market, had fallen by about 0.46 percent to 8,804.84 points, while, on the NASDAQ, its Composite Index had risen by about 0.08 percent to end the week at 1,468.74 points.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), there was still an international furore over the HKSAR Government's determination to pass its new sedition law.

Internationally, there was widespread disapproval about this piece of proposed draconian legislation for fear that it could, and would, impinge on basic freedoms, with emphasis on the freedom of information and of speech, and that it could be used as a gag on the Press – as is the case in the PRC, proper.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index rose about 0.35 percent, coming to rest at 10,100.77 points.

The Total Turnover was about \$HK4.84 billion, with gainers ahead of losers by the ratio of about 1.45:One.

The Ten Most Active counters of last Monday were:

HSBC Holdings plc (Code: 5)	Down 0.27 percent to \$HK90.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.97 percent to \$HK20.90 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.47 percent to \$HK53.75 per share
PCCW Ltd (Code: 8)	Up 5.22 percent to \$HK1.41 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.93 percent to \$HK54.50 per share
Henderson Land Development Company Ltd (Code: 12)	Up 1.64 percent to \$HK27.90 per share
China Telecom Corporation Ltd (Code: 728)	Down 1.39 percent to \$HK1.42 per share

Cheung Kong (Holdings) Ltd (Code: 1)

Up 0.44 percent to \$HK57.00 per share

China Oilfield Services Ltd (Code: 2883)

Down 1.60 percent to \$HK1.85 per share

China Unicom Ltd (Code: 762)

Up 2.63 percent to \$HK5.85 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
ABC Communications (Holdings) Ltd	30	19.15		0.28
Ananda Wing On Travel (Holdings) Ltd	1189	12.50		0.018
Benefun International Holdings Ltd	1130		10.00	0.036
Bestway International Holdings Ltd	718	11.11		0.02
CCT Technology Holdings Ltd	261		22.22	0.014
Celestial Asia Securities Holdings Ltd	1049		10.87	0.41
Champion Technology Holdings Ltd	92	10.19		1.19
Chaoda Modern Agriculture (Holdings) Ltd	682	14.06		1.46
Cheung Tai Hong Holdings Ltd	199	40.00		0.028
China City Natural Gas Holdings Ltd	603	14.63		0.094
Chinese Estates Holdings Ltd	127	12.73		1.24
Deson Development International Holdings Ltd	262	16.67		0.021
Dickson Group Holdings Ltd	313		16.67	0.05
Earnest Investments Holdings Ltd	339	10.00		0.033
Fortuna International Holdings Ltd	530		13.33	0.013
GeoMaxima Energy Holdings Ltd	702		10.61	0.219
Hanny Holdings Ltd	275	21.62		0.045
Hansom Eastern (Holdings) Ltd	279	13.33		0.034
Kin Don Holdings Ltd	208	13.33		0.017
ONFEM Holdings Ltd	230	11.86		0.33
QPL International Holdings Ltd	243	12.72		1.95
Softbank Investment International (Strategic) Ltd	648	13.48		0.16
Star Cruises Ltd	2988	18.46		0.231
Starbow Holdings Ltd	397	32.00		0.033
Sun East Technology (Holdings) Ltd	365	12.90		0.70
Technology Venture Holdings Ltd	61	11.21		0.248
Theme International Holdings Ltd	990	29.41		0.022
United Power Investment Ltd	674		10.00	0.099
Vanda Systems and Communications Holdings Ltd	757	12.09		0.51
Wang On Group Ltd	1222	16.67		0.63
Wo Kee Hong (Holdings) Ltd	720		18.03	0.05
Yue Da Holdings Ltd	629	14.29		0.56

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, many investors were somewhat nonplussed to see The Growth Enterprise Index rise by about 2.85 percent, hitting 116.65 points by the close of the day.

There appeared to be no valid reason for the gains since many of the GEM-listed companies were continuing to admit their failures, with some of them, having gone to the wall.

(Please see last [Wednesday's TARGET Intelligence Report, Volume IV, Number 225](#))

The Total Turnover on The GEM, last Monday, was about \$HK174.28 million, with gainers, only just managing to squeeze ahead of losers by the ratio of about 1.15:One.

Mr Li Ka Shing's 2 GEM listings, tom.com Ltd (Code: 8001) and CK Life Sciences International (Holdings) Incorporated (Code: 8222), were the most-active counters of the day, in that order.

The aggregate volume of trades, in dollar terms, of these 2 counters, at about \$HK121 million, represented nearly 70 percent of the entire volume of activity for the day.

tom.com finished the session up 9.88 percent on the previous Friday's close, at \$HK2.225 per share, and the share price of CK Life Sciences rose 6.38 percent to run back to \$HK1.50 per share.

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Angels Technology Company Ltd	8112		10.67	0.67
Changechun Da Xing Pharmaceutical Company Ltd	8067		10.53	0.51
Cyber On-Air Group Company Ltd	8118		12.50	0.07
Grandy Applied Environmental Technology Corporation	8143	14.58		0.11
Info Communication Holdings Ltd	8082		13.16	0.033
iSteelAsia.com Ltd	8080		50.00	0.025
M Channel Corporation Ltd	8036	15.00		0.023
New Universe International Group Ltd	8068	35.00		0.054
ProSticks International Holdings Ltd	8055		11.11	0.04

In Japan, however, things were popping.

It was announced by the Finance Ministry of the Government of Prime Minister Junichiro Koizumi that Japan's trade surplus in October was up by about 95.60 percent, Year-on-Year, to about 902 billion yen.

It was the eighth consecutive month of growth.

On The Tokyo Stock Exchange, the premier bourse of The Land of The Rising Sun, the key index, the Nikkei-225 Stock Average, rose by about 1.96 percent to 8,944.44 yen.

As with The GEM, there appeared to be no material reason for the gains on Asia's largest stock market, but few people were complaining about the situation.

However, the market was very selective, in spite of the pace of trades.

The ratio of gainers to losers was about 7.34:One.

While the market was, clearly, running hot, not all of the '*darlings*' had a good day, as the following TARGET list indicates:

Banks/Finance Houses/Securities Companies

AEON	Up 2.59 percent to 2,970 yen per share
Credit Saison	Up 6.18 percent to 2,320 yen per share
Mitsubishi Financial Group	Down 3.40 percent to 710,000 yen per share
Mizuho Asset	Unchanged at 43 yen per share

Mizuho Holdings	Unchanged at 131,000 yen per share
Nikko Cordial	Up 0.66 percent to 459 yen per share
Nippon Shinpan	Up 14.58 percent to 110 yen per share
Nomura Holdings	Up 1.29 percent to 1,412 yen per share
Shinko Securities	Up 2.92 percent to 141 yen per share
Sumitomo Trust and Bank	Up 0.58 percent to 517 yen per share
UFJ Holdings	Up 7.48 percent to 115,000 yen per share

Electronics/Telecommunications and Industrials

Advantest	Up 3.12 percent to 5,620 yen per share
Alps Electric	Up 2.30 percent to 1,649 yen per share
Canon	Down 1.47 percent to 4,690 yen per share
Clarion	Up 8.16 percent to 53 yen per share
Furukawa	Up 7.69 percent to 56 yen per share
Furukawa Electric	Up 3.45 percent to 240 yen per share
KDDI	Down 1.55 percent to 380,000 yen per share
Kyocera	Up 2.53 percent to 7,710 yen per share
Nippon Telegraph and Telephone (NTT)	Up 3.11 percent to 464,000 yen per share
NTT Data	Up 3.25 percent to 349,000 yen per share
NTT DoCoMo	Up 4.72 percent to 244,000 yen per share
Oki Electric Industrial	Up 5.88 percent to 198 yen per share
Ricoh	Down 1.71 percent to 2,015 yen per share

Motors

Hino Motors	Up 1.66 percent to 367 yen per share
Honda Motor	Up 3.59 percent to 4,620 yen per share
Isuzu Motors	Unchanged at 34 yen per share
Kawasaki Heavy Industries	Up 1.05 percent to 96 yen per share
Mazda Motor	Down 0.82 percent to 241 yen per share
Mitsubishi Motor	Up 2.43 percent to 253 yen per share
Nissan Motor	Unchanged at 985 yen per share
Suzuki Motor	Up 1.86 percent to 1,311 yen per share
Toyota Motor	Up 0.96 percent to 3,170 yen per share

- **Sales of electrical home appliances** at the largest retailers in Japan fell by about 2.50 percent in the month of October, compared with a year earlier, according to The Nippon Electric Big-Stores Association;
- **Kumagai Gumi Corporation**, a general contractor, reported a Net Loss Attributable to Shareholders of about 3.10 billion yen for the 6-month period, ended September 30, 2002. That was an improvement on the like 2001 period when the company reported a 4.23-billion yen Loss Attributable to Shareholders;
- **Hazama Corporation**, another midsize contractor of Japan, announced a Group Net Loss of 1.72 billion yen for the same period as Kumagai Gumi. That result was not very different from the like 2001 period when the company reported a Group Net Loss of about 1.83 billion yen; and,
- **Isuzu Motors Ltd** posted a Group Net Loss of 84.23 billion yen for the first half of its Financial Year, to September 30, 2002. Year-on-Year, it did not go down well with shareholders since, in 2001, the first half, the company reported a Net Loss of about 23.56 billion yen.

And, in other Asian stock markets, this was how they fared on the first trading day of the week:

Indonesia	Plus 0.11 percent to 381.89
Japan	Plus 1.96 percent to 8,944.44
Malaysia	Plus 0.66 percent to 643.31
The Philippines	Plus 0.15 percent to 1,056.41
Singapore	Minus 0.01 percent to 1,423.52
South Korea	Plus 1.87 percent to 705.86
Taiwan	Plus 0.33 percent to 4,723.16
Thailand	Plus 0.54 percent to 364.53

Tuesday

The lull continued on equity markets in North America, last Monday, but, in Asia, selling marked the largest stock markets, with Japan's premium bourse, leading the losers.

On Wall Street, on the first day of trading, last week, there was some talk about statistics, regarding home sales, but the more sophisticated institutions discounted such news because that phenomenon was, and continues to be, the result of 41-year, low mortgage interest rates.

In any event, in the larger scheme of things, such spot data means very little.

On The New York Stock Exchange, the Dow Jones Industrial Average was up by 44.56 points, or about 0.51 percent, ending the day at 8,849.40 points.

The NASDAQ's Composite Index played *'follow-the-leader'*, rising 13.24 points, equivalent to about 0.90 percent, running back to 1,481.98 points.

Last Monday was the start of a 3.50-day trading week, last Thursday, being Thanksgiving Day in the US, while Wall Street was only open for a few hours, last Friday.

As such, many investors were preparing for a 4-day weekend break since Wall Street was only open for business for a few hours in the morning of last Friday.

But it was very clear, by charting the choppy Monday trades on The New York Stock Exchange, that The Dow was ready to fall on the principle that a market that cannot rise, must fall.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), share prices, generally, fell on the Main Board of The Stock Exchange of Hongkong Ltd.

The Hang Seng Index gave up about 1.04 percent of its value, falling to below the 10,000-level.

By the close of the day, The Index was standing at 9,995.52 points.

The Total Turnover was about \$HK4.88 billion, with the ratio of losers to gainers, being 2.08:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Down 1.38 percent to \$HK89.50 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.93 percent to \$HK53.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.48 percent to \$HK20.80 per share
China Telecom Corporation Ltd Code: 728)	Up 1.41 percent to \$HK1.44 per share
PCCW Ltd (Code: 8)	Up 1.42 percent to \$HK1.43 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 1.70 percent to \$HK52.00 per share
China Oilfield Services Ltd (Code: 2883)	Down 0.54 percent to \$HK1.84 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.60 percent to \$HK8.35 per share
CITIC Pacific Ltd (Code: 267)	Down 2.77 percent to \$HK15.80 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.32 percent to \$HK56.25 per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
21CN CyberNet Corporation Ltd	241	17.54		0.335
ABC Communications (Holdings) Ltd	30		12.50	0.245
CEC International Holdings Ltd	759		10.42	0.129
Celestial Asia Securities Holdings Ltd	1049	21.95		0.50
Century Legend (Holdings) Ltd	79	10.00		0.022
China Specialised Fibre Holdings Ltd	285		92.64	0.089
Ching Hing (Holdings) Ltd	692		12.31	0.057
Climax International Company Ltd	439	13.64		0.025
Cosmos Machinery Enterprises Ltd	118	14.00		0.285
eCyberChina Holdings Ltd	254		16.67	0.015
Fortuna International Holdings Ltd	530	15.38		0.015
Gay Giano International Group Ltd	686	11.11		0.13
GeoMaxima Energy Holdings Ltd	702		18.72	0.178

Hua Lien International (Holding) Company Ltd	969		11.43	0.31
KTP Holdings Ltd	645	14.29		0.32
Pricerite Group Ltd	996	22.62		0.103
Shanghai Ming Yuan Holdings Ltd	233		10.31	0.87
Sincere Company Ltd, The	244	14.29		0.32
Sino Golf Holdings Ltd	361	12.50		0.90
Star Cruises Ltd	2988		22.08	0.18
Starbow Holdings Ltd	397		15.15	0.028
Styland Holdings Ltd	211		10.00	0.054
Sunny Global Holdings Ltd	1094		11.00	0.445
UBA Investments Ltd	768	10.00		0.11
UDL Holdings Ltd	620		12.00	0.022
Universal Holdings Ltd	419		13.79	0.025
Wing Shan International Ltd	570		12.90	0.27
Wong's Kong King International (Holdings) Ltd	532		10.34	0.26
Yoshiya International Corporation Ltd	193	15.38		0.075
Zhong Hua International Holdings Ltd	1064		10.71	0.125

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the gains of Monday faded into obscurity as The Growth Enterprise Index lost about 1.83 percent of its value, dropping back to 114.52 points.

The Total Turnover was about \$HK183.70 million, with trading in Mr Li Ka Shing's 2 GEM listings, tom.com Ltd (Code: 8001) and CK Life Sciences International (Holdings) Incorporated (Code: 8222), being responsible for \$HK132.34 million of that figure, equivalent to about 72 percent.

tom.com Ltd lost 5.62 percent of its market capitalisation as investors marked down its share price to \$HK2.10 after about 27.76 million of its shares changed hands.

CK Life Sciences, the most-active counter of the day, held its share price, firmly, at Monday's closing level of \$HK1.50.

The ratio of losers to gainers was 1.57:One.

The biggest movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Cyber On-Air Group Company Ltd	8118		35.71	0.045
Global Link Communications Holdings Ltd	8060		10.00	0.495
Goldigit Atom-Tech Holdings Ltd	8059		14.69	0.122
iSteelAsia.com Ltd	8080	16.00		0.029
MP Logistics International Holdings Ltd	8239	11.76		0.76
New Universe International Group Ltd	8068		16.67	0.045
Prosten Technology Holdings Ltd	8026		11.76	0.15
Timeless Software Ltd	8028		11.58	0.168
Wafer Systems Ltd	8198		15.25	0.15

News wise, the HKSAR Government's Census and Statistics Department reported that exports from the territory grew 12.90 percent in the month of October, Year-on-Year, to about \$HK150.50 billion.

(Some people do not know the difference between exports and re-exports, sadly.)

While Asia may have been considered dull, last Tuesday, in Europe, there was no question as to the direction of major bourses, there: Down.

In major European equity markets, this was how investors saw the situation:

Amsterdam's AEX	Down 3.05 percent
Germany's DAX	Down 3.26 percent
Great Britain's FTSE100	Down 1.24 percent
Italy's MIBTel	Down 1.25 percent
Paris CAC40	Down 2.44 percent
Zurich's SMI	Down 1.44 percent

In Japan, snapping a 5-day rally, the Nikkei-225 Stock Average, the blue-chip index of The Tokyo Stock Exchange, pulled back 120.45 yen, equivalent to about 1.35 percent, ending the session at 8,823.99 yen.

The ratio of declining counters to advancing ones was about 3.21:One.

News wise:

- **Sony Corporation** announced that it would shut down its Indonesian factory, which produces stereos. The move will mean about 1,000 Indonesians will have to look for alternative employment. The plant is about 11 years old and produces about 15 billion-yen worth of audio electronics, annually;
- **Kikkoman Corporation**, Japan's largest producer of soya sauce, said that its Group Net Profit for the first half of its Financial Year, to September 30, 2002, was about 3.62 billion yen, up by about 40.50 percent, Year-on-Year;
- **Towa Real Estate Development Company** said that it had arranged a 230-billion yen bailout package, 200 million yen of which would be debt relief and 30 billion yen of which would be debt-equity swaps; and,
- **Suntory Ltd**, the largest maker of whiskey in Japan, said that it would transfer part of its operations from Tokyo to Shanghai, the PRC.

In other Asian stock markets, this was how they closed the day, last Tuesday:

Indonesia	Plus 0.01 percent to 381.95
Japan	Minus 1.35 percent to 8,823.99
Malaysia	Minus 0.41 percent to 640.68
The Philippines	Minus 0.53 percent to 1,050.85
Singapore	Minus 1.28 percent to 1,405.27
South Korea	Minus 0.51 percent to 702.27
Taiwan	Minus 0.96 percent to 4,677.89
Thailand	Minus 0.91 percent to 361.21

Wednesday

Share prices tumbled on North American stock markets, last Tuesday, with many Americans, clearly apprehensive as to the direction of the economies of the US and Canada, with emphasis on the US, of course.

Asia, too, was apprehensive about its favourite customers, resulting in equity markets in the most-populous area of the world, just drifting.

Tipping the scales was a report from the French banking giant, Societe Generale, which announced that it would be cutting back staff in Asia, quite dramatically.

The announcement from this bank followed similar announcements from JP Morgan, Morgan Stanley, Lehman Brothers, Credit Suisse, First Boston and Merrill Lynch over the previous weeks.

On The New York Stock exchange, the Dow Jones Industrial Average shed 172.98 points, equivalent to about 1.95 percent, falling to 7,676.42 points.

As for the Composite Index of the NASDAQ, it fell by about 2.53 percent to 1,444.41 points.

The volume of trading on the world's largest stock market was light in view of the coming of the Thanksgiving Day holidays: Last Wednesday was the last full day of trading for the week in the US.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), there was little reason to celebrate anything and, as such, share prices on the territory's 2 equity markets drifted, for the most part.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index lost 0.51 percent, falling to 9,944.59 points.

The Total Turnover was about \$HK5.15 million, with losers, outnumbering gainers by the ratio of 1.60:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Down 0.84 percent to \$HK88.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.72 percent to \$HK20.65 per share
PCCW Ltd (Code: 8)	Up 4.90 percent to \$HK1.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.96 percent to \$HK51.50 per share
China Unicom Ltd (Code: 762)	Up 1.69 percent to \$HK6.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.33 percent to \$HK55.50 per share
Hutchison Whampoa Ltd (Code: 13)	Down 0.94 percent to \$HK52.75 per share
China Oilfield Services Ltd (Code: 2883)	Down 2.72 percent to \$HK1.79 per share
CITIC Pacific Ltd (Code: 267)	Down 1.27 percent to \$HK15.60 per share
PetroChina Company Ltd (Code: 857)	Unchanged at \$HK1.48 per share

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Anex International Holdings Ltd	723		11.11	0.04
Can Do Holdings Ltd	172		16.67	0.01
Cedar Base Electronic (Group) Ltd	855		13.33	0.013

Cheuk Nang (Holdings) Ltd	131		12.50	0.014
Cheung Tai Hong Holdings Ltd	199	13.79		0.033
China Bio-Medical Group Ltd	140	11.76		0.095
China Elegance International Fashion Ltd	476	10.00		0.011
Chuang's China Investments Ltd	298	13.93		0.229
Dah Hwa International (Holdings) Ltd	600		13.04	0.06
Earnest Investments Holdings Ltd	339		15.15	0.028
eCyberChina Holdings Ltd	254		13.33	0.013
Gay Giano International Group Ltd	686		11.54	0.115
Guo Xin Group Ltd	2992		13.08	0.093
Harmony Asset Ltd	428	13.64		0.025
Kwong Hing International Holdings (Bermuda) Ltd	1131		27.55	0.142
Man Yue International Holdings Ltd	894	20.00		0.126
New Century Group Hongkong Ltd	234		11.29	0.275
Ocean Grand Holdings Ltd	1220	10.71		0.093
Styland Holdings Ltd	211		11.11	0.048
UDL Holdings Ltd	620	36.36		0.03
Wo Kee Hong (Holdings) Ltd	720	13.46		0.059

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the ratio of losing counters to gaining ones was 1.88:One, in spite of the fact that The Growth Enterprise Index was up by about 0.38 percent to 114.95 points.

The Total Turnover on this market was about \$HK127.90 million.

The biggest movers included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (SHK)
Blu Spa Holdings Ltd	8176		13.64	0.057
Cyber On-Air Group Company Ltd	8118		33.33	0.03
iSteelAsia.com Ltd	8080		13.79	0.025
Jessica Publications Ltd	8137	10.00		0.22
M Channel Corporation Ltd	8036	56.00		0.039
New Universe International Group Ltd	8068	11.11		0.05
PINE Technology Holdings Ltd	8013		20.00	0.112
Universal Technologies Holdings Ltd	8091	11.36		0.098

In Japan, trading on the premier stock market of the country was, also, dull, with the Nikkei-225 Stock Average, edging up just 0.59 percent to 8,875.88 yen.

The number of gaining counters was ahead of the number of losing counters by the ratio of about 1.74:One.

There were a couple of bright spots in an otherwise lifeless market, but, generally, even mom would have been bored by the trading pattern of this marketplace.

News wise:

- **The Ministry of Economy, Trade and Industry** announced that wholesale and retail prices fell by about 1.50 percent in October, Year-on-Year, marking the twenty first consecutive month of declines. Combined sales of wholesalers and retailers for the month of October came in at about 47.06 trillion yen;
- **Kinki Nippon Tourist Company** said that it planned to cut its workforce by about 1,000 people in the next 3 years; and,

- **The Japan Automobile Manufacturers Association** said that the exports of motor cars, lorries and buses rose by about 6.80 percent in October, compared with the like month in 2001.

And this is what happened on other Asian stock markets, last Wednesday:

Indonesia	Plus 0.29 percent to 383.04
Japan	Plus 0.59 percent to 8,875.88
Malaysia	Minus 1.29 percent to 632.42
The Philippines	Minus 1.39 percent to 1,036.27
Singapore	Minus 0.74 percent to 1,394.94
South Korea	Plus 0.80 percent to 708.07
Taiwan	Minus 0.96 percent to 4,633.03
Thailand	Plus 0.04 percent to 361.35

Thursday

It was the last full day of trading for the week in the US – and what a day it turned out to be, all things considered!

On The New York Stock Exchange, last Wednesday, the Dow Jones Industrial Average, the gauge to trading in blue chips on the world's largest bourse, gained 256.35 points, equivalent to about 2.95 percent, ending the session at 8,932.77 points.

On the NASDAQ, its Composite Index jumped 44.17 points, or about 3.06 percent, running back to 1,488.59 points.

The gains on Wall Street were said to be the result of growing optimism that the US economy was starting to right itself.

The US Government came out with a couple of economic reports, indicating that consumer spending and orders for durable goods rose in October, compared with the September statistics.

Also, it was reported that the number of people, out of work, was at the lowest level in the previous 21 months.

Whether or not the reports were, yet, more of those investor '*leaves*' onto which US speculators were trying to cling, only time would tell, of course, but the US Federal Reserve Board was having none of it.

The Central Bank of the US said that the US economy continued to show only sluggish signs of growth in October and November, with weak sales of motor vehicles, '*soft*' manufacturing activity, and a slowing commercial property market.

The Fed's prognostications appeared to favour TARGET's determinations, which were published on Wednesday, November 27, 2002, in Volume IV, Number 225.

Then, more than halfway into last Wednesday's trading day in New York, it was reported that General Motors's subsidiary in Sweden, Saab, said that it planned to sack about 1,300 of its workers, representing about 20 percent of the workforce.

Saab is one of the many motor-vehicle, loss-makers in the world, today.

It was just as well that Wall Street was shut for business, last Thursday, because, on the African Continent, there was another devastating, thought to be al-Qaeda attack on helpless and innocent civilians.

At about 8 am, Kenya time (about 1 pm Hongkong time and midnight, New York time), 15 people were killed by human bombs at a hotel just outside Mombasa, a hotel with Israeli links.

And, at about the same time, terrorists fired 2, ground-to-air missiles at a charter aeroplane, just taking off from Mombasa Airport, headed for Israel. The aeroplane was carrying 261 passengers and a crew of 10.

The ground-to-air missiles missed their mark, luckily, but the Paradise Hotel in Kikambala, which is about 20 kilometres north of Mombasa, was totally destroyed by 3 suicide bombers, who rammed their Land Rover into the hotel lobby where about 140 tourists were staying.

And, in Manila, the embassies of Canada, Australia and the European Union closed for fear of more terrorist attacks.

This was unprecedented in peacetime in any capital city of the world.

The decisions to close down the embassies were made, following a '*credible and specific*' warning, received by the Government of Australia, that Islamic militants would be attacking the Australian Embassy in Manila.

Mr Alexander Downer, Australian Foreign Minister, was reported to have stated on Australian radio: '*It is not only location specific, targeting the Australian Embassy (in Manila), itself, but also it is time specific.*'

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), however, it was business as usual.

On The Stock Exchange of Hongkong Ltd, the Main Board's Hang Seng Index regained about 2.04 percent of its value, rising to 10,147.84 points on a Total Turnover of about \$HK7.32 billion.

The HKSAR stock markets were following Wall Street and were disregarding the horrendous international news.

Gainers outnumbered losers by the ratio of about 2.36:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 2.54 percent to \$HK91.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 3.79 percent to \$HK54.75 per share
PCCW Ltd (Code: 8)	Up 3.33 percent to \$HK1.55 per share
China Telecom Corporation Ltd (Code: 728)	Up 3.47 percent to \$HK1.49 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 2.42 percent to \$HK21.15 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 4.05 percent to \$HK57.75 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.43 percent to \$HK52.75 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Unchanged at \$HK8.40 per share

Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK85.75 per share
CITIC Pacific Ltd (Code: 267)	Up 0.96 percent to \$HK15.75 per share

There were 36, double-digit movers of the day, with Chevalier Construction Holdings Ltd (Code: 579), being the biggest gainer as investors pushed the share price of this company to 8 cents, up 40.35 percent on Wednesday's close.

Kwong Hing International Holdings (Bermuda) Ltd (Code: 1131) was the biggest loser of the trading session as its share price shed about 29.58 percent, falling to 10 cents per share.

There were 19, double-digit counters, which scored more than 10 percent, while 17, double-digit counters lost 10 percent or more.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, investors pushed The Growth Enterprise Index up by about 0.99 percent to 116.09 points.

The Total Turnover was about \$HK132 million, with the ratio of gainers to losers, being about 1.47:One.

While Mr Li Ka Shing's 2 GEM listing were the dominant players, both tom.com Ltd (Code: 8001) and CK Life Sciences International (Holdings) Incorporated (Code: 8222) failed to make much of a splash.

The largest movers on this speculative marketplace included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AcrossAsia Multimedia Ltd	8061	37.50		0.022
Asian Information Resources (Holdings) Ltd	8025		16.67	0.04
iSteelAsia.com Ltd	8080	28.00		0.032
New Universe International Group Ltd	8068	12.00		0.056
Prosperity International Holdings (Hongkong) Ltd	8139		17.65	0.028
Rojam Entertainment Holdings Ltd	8075		21.11	0.071
Techpacific Capital Ltd	8088	10.00		0.044

News wise:

- **Jessica Publication Ltd** (Code: 8137, The GEM) announced that it was changing its auditors for a third time since August 16, from Arthur Andersen and Company to PricewaterhouseCoopers to Deloitte Touche Tohmatsu; and,
- **Oriental Press Group Ltd** (Code: 18, Main Board) announced that, for the period April 1 to September 30, 2002, it had earned a Net Profit Attributable to Shareholders of about \$HK204.14 million. That Profit was earned on a Turnover of about \$HK1.02 billion. Compared with the like 2001 period, it meant that the largest circulating Chinese newspaper of the HKSAR had achieved an increase of about 36 percent in its Bottom Line, Year-on-Year. It was clear, from the announcement, that the gains had been brought about, in part at least, by reducing financing costs, during the period under review.

In The Land of The Rising Sun, with economic reforms, due to be announced within 24 hours by the Government of Prime Minister Junichiro Koizumi, Japanese investors took a punt on the country's 3 stock markets, the result of which was to push up the key indices, quite substantially.

On the premier bourse, The Tokyo Stock Exchange, the Nikkei-225 Stock Average rose 3.39 percent to 9,176.78 yen.

In addition to the prospects of tax concessions on the home front, there was, also, the rally on Wall Street of Wednesday, a rally which saw investors of The New York Stock Exchange push up The Dow by nearly 3 percent.

Gaining counters swamped losing ones by the ratio of 1.97:One.

'Japan Incorporated', of course, was praying, with daily incantations, that the economic problems of the US are a thing of the past.

Fat chance!

As everybody should know, prayer is translation: A man translates himself into a child, asking for all there is in a language that he has barely mastered.

Japan had not realised, to any great extent, what had happened on the African Continent, during trading hours, due to the time differential.

While select banks and finance houses were treated to a goodly run, it was in electronics where some of the biggest gains were made, as the following TARGET table illustrates:

Banks/Finance Houses/Securities Companies

AEON	Up 3.89 percent to 3,070 yen per share
Daiwa Securities Group	Up 5.83 percent to 545 yen per share
Matsui Securities	Up 9.42 percent to 825 yen per share
Mitsui Trust Holdings	Up 3.24 percent to 191 yen per share
Mizuho Asset	Up 4.55 percent to 46 yen per share
Mizuho Holdings	Up 5.34 percent to 138,000 yen per share
Nikko Cordial	Up 5.38 percent to 470 yen per share
Nippon Shinpan	Up 2.70 percent to 114 yen per share
Nomura Holdings	Up 4.61 percent to 1,453 yen per share
Shinko Securities	Up 8.70 percent to 150 yen per share
UFJ Holdings	Up 3.23 percent to 128,000 yen per share

Electronics/Telecommunications and Industrials

Advantest	Up 12.59 percent to 6,080 yen per share
Alps Electric	Up 5.68 percent to 1,655 yen per share
Casio	Up 4.55 percent to 736 yen per share
Clarion	Up 3.92 percent to 53 yen per share

Fanuc	Up 6.05 percent to 5,960 yen per share
Fuji Electric	Up 5.26 percent to 220 yen per share
Fujikura	Up 15.38 percent to 330 yen per share
Fujitsu	Up 9.35 percent to 421 yen per share
Furukawa	Up 10.17 percent to 65 yen per share
Furukawa Electric	Up 18.25 percent 298 yen per share
Hitachi	Up 6.45 percent to 495 yen per share
KDDI	Up 3.17 percent to 391,000 yen per share
Kyocera	Up 6.68 percent to 8,150 yen per share
Mitsubishi Electric	Up 6.43 percent to 331 yen per share
NEC	Up 7.08 percent to 499 yen per share
Nikon	Up 6.84 percent to 968 yen per share
Nippon Telegraph and Telephone (NTT)	Up 6.36 percent to 485,000 yen per share
NTT Data	Up 4.00 percent to 364,000 yen per share
NTT DoCoMo	Up 6.33 percent to 252,000 yen per share
Oki Electric Industrial	Up 8.46 percent to 218 yen per share
Pioneer	Up 6.18 percent to 2,320 yen per share
Sanyo Electric	Up 4.78 percent to 351 yen per share
Sharp	Up 4.94 percent to 1,295 yen per share
Sumitomo Corporation	Up 6.25 percent to 527 yen per share
TDK	Up 5.39 percent to 5,470 yen per share
Tokyo Electron	Up 8.47 percent to 6,150 yen per share
Toshiba	Up 5.38 percent to 392 yen per share
Yokogawa Electric	Up 5.57 percent to 795 yen per share

Motors

Hino Motors	Up 4.36 percent to 383 yen per share
Honda Motor	Up 2.64 percent to 4,670 yen per share
Isuzu Motors	Up 5.56 percent to 38 yen per share
Kawasaki Heavy Industries	Up 6.19 percent to 103 yen per share
Mazda Motor	Up 3.32 percent to 249 yen per share
Mitsubishi Motor	Up 5.67 percent to 261 yen per share

News wise:

- **Konami Corporation**, a major game producer in Japan, announced that its Group Net Profit for the 6-month period, ended September 30, 2002, was 4.37 billion yen. The company is, now, adopting new US

accounting rules and, as such, there was no comparison given in respect of the 2001 Interim Results; and,

- **Isetan (Singapore) Ltd**, a subsidiary of **Isetan Company**, a major departmental store of Japan, was fined 63.70 million yen by the Singapore Government. This was said to be a penalty for the company's failure to declare offshore payments and benefits in kind in some of its employees' tax payment forms between 1992 and 1998.

If one operates in Singapore, one has to pay the price.

In other Asian bourses, this was how those investors saw the situation, last Thursday night:

Indonesia	Plus 1.81 percent to 389.98
Japan	Plus 3.39 percent to 9,176.78
Malaysia	Minus 0.25 percent to 630.86
The Philippines	Plus 0.62 percent to 1,042.66
Singapore	Plus 0.65 percent to 1,404.04
South Korea	Plus 0.91 percent to 714.54
Taiwan	Minus 0.44 percent to 4,612.60
Thailand	Plus 0.81 percent to 364.29

Friday

Americans were boozing it up, last Thursday, celebrating Thanksgiving Day – thanking England and God, in that order, for permitting English and Netherlands religious zealots of 1620 to board The Mayflower, and, due to poor weather and the even poorer navigation of the First Officer of The Mayflower, 106 of these zealots landed in Massachusetts instead of making for a more hospitable landfall.

After the invasion of the fundamentalist zealots on Massachusetts's soil, of course, it was all down hill for the American Indians.

But, out of those 106 Pilgrims – as the zealots came to be known – was born the strongest nation in the world: The United States of America.

(Oh, if only King James VI had acted differently, the United States may have been a Jewish State, today! Who knows!)

With stock markets in the US, being closed for the booze-up, Asia had to go it, alone.

It was one day after the massacre on the African Continent (Please see Thursday's report) and Israeli and American investigators were taking action in order to try to learn who were the masterminds behind the attacks.

It was the beginning of a new phase of the international war on terrorism, to be sure.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), there was some consternation, regarding the Mombasa incident, but the HKSAR, thus far, has been shielded from direct attacks from Muslim extremists and, as such, the attacks in Kenya were not considered very important.

The HKSAR has, always, been tolerant of religions and cults – the Falun Gung, notwithstanding – and there are many Mosques and synagogues in the territory, all of which are well patronised by the faithful.

Even the Government of Mr Tung Chee Hwa has not legislated against them!

On The Stock Exchange of Hongkong Ltd, the Main Board saw its Hang Seng Index shed about 0.77 percent of its value, ending the week at 10,069.87 points.

The Total Turnover was about \$HK8.10 billion, with losers, outnumbering gainers by the ratio of about 1.32:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 0.55 percent to \$HK91.50 per share
BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 2.98 percent to \$HK8.65 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 2.36 percent to \$HK20.65 per share
Hutchison Whampoa Ltd (Code: 13)	Unchanged at \$HK54.75 per share
Esprit Holdings Ltd (Code: 330)	Unchanged at \$HK14.50 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.87 percent to \$HK57.25 per share
China Telecom Corporation Ltd (Code: 728)	Unchanged at \$HK1.49 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 0.47 percent to \$HK52.50 per share
Hang Seng Bank Ltd (Code: 11)	Down 1.17 percent to \$HK84.75 per share
PCCW Ltd (Code: 8)	Down 3.23 percent to \$HK1.50 per share

The biggest movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
401 Holdings Ltd	2993		12.90	0.081
Bossini International Holdings Ltd	592		12.50	0.28
Central China Enterprises Ltd	351	14.29		0.032
China Land Group Ltd	149		19.90	0.157
Ching Hing (Holdings) Ltd	692	17.65		0.06
Dah Hwa International (Holdings) Ltd	600		13.33	0.052
Earnest Investments Holdings Ltd	339		19.35	0.025
Good Fellow Group Ltd	910		12.14	0.246
Harmony Asset Ltd	428		12.00	0.022
Joyce Boutique Holdings Ltd	647	10.59		0.094
Magician Industries (Holdings) Ltd	526	11.11		0.10
Mansion House Group Ltd	376		10.30	0.148
Same Time Holdings Ltd	451		10.00	0.063
Shanghai Ming Yuan Holdings Ltd	233	10.71		0.93
Soundwill Holdings Ltd	878	14.29		0.032
Star East Holdings Ltd	198		20.00	0.016

As for the speculative marketplace of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Market (The GEM), its lone index, The Growth Enterprise Index, lost about 1.20 percent of its value, dropping back to 114.70 points.

The Total Turnover on this market was about \$HK181.79 million.

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

For the most part, the 'hot' counters stayed within very narrow price bands.

There were no real surprises.

The double-digit movers on this market were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Asian Information Resources (Holdings) Ltd	8025		20.00	0.032
China Medical Science Ltd	8120	17.82		0.205
E-silkroad Holdings Ltd	8071	10.42		0.053
Emperor Entertainment Group Ltd	8078	11.43		0.78
HK6 Holdings Ltd	8206		12.64	0.152
Inno-Tech Holdings Ltd	8202	10.00		0.385
New Chinese Medicine Holdings Ltd	8085		76.92	0.27
Neolink Cyber Technology (Holdings) Ltd	8116		12.50	0.14
Rainbow International Holdings Ltd	8079		11.69	0.68
Thiz Technology Group Ltd	8119		12.24	0.043

For the week, therefore, this was how the 2 stock markets of the HKSAR performed:

1. The Main Board's Hang Seng Index gained 4.55 points, equivalent to about 0.05 percent; and,
2. The Growth Enterprise Index gained 1.28 points, equivalent to about 1.13 percent.

In Japan, stock prices hit a 2-month high, last Friday, as the key index of The Tokyo Stock Exchange, the Nikkei-225 Stock Average, ran to 9,215.56 yen, up by about 0.42 percent on the day.

Last Friday's close meant that the Nikkei-225 Stock Average had risen by about 0.17 percent in the period of 5 trading days.

The ratio of gainers to losers was 2.28:One.

While last week's gains were small, at least, they were gains.

During last Friday's trading, the Government of Prime Minister Junichiro Koizumi did not release its long-awaited reform package, as had been thought possible.

What the Japanese Government did release, however, was that the October jobless rate in the second-largest economy of the world was standing at about 5.50 percent, up from September's figure of about 5.40 percent.

In October, industrial output fell by about 0.30 percent, compared with September.

Household spending dried up to the extent of about 0.70 percent, Year-on-Year.

The Ministry of Economy, Trade and Industry painted a grim picture of the economy.

Toyota Corporation, the largest motor-vehicle manufacturer in Japan, announced that it had applied to operate a bank in the US.

And, in other Asian stock markets, last Friday, this was how the week ended:

Indonesia	Plus 0.12 percent to 390.43
Japan	Plus 0.42 percent to 9,215.56
Malaysia	Minus 0.26 percent to 629.22
The Philippines	Plus 0.44 percent to 1,047.22
Singapore	Minus 0.89 percent to 1,391.53
South Korea	Plus 1.44 percent to 724.80
Taiwan	Plus 0.74 percent to 4,646.69
Thailand	Plus 0.17 percent to 364.90

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