

THE WEEK THAT 50 MILLION AMERICANS WERE IN THE DARK

Al Qaeda, the international terrorist group, which was responsible for the killing of some 4,000 or so innocent civilians on September 11, 2001, in New York and Washington D.C., the organisation which was founded and is controlled, today, by the elusive Saudi businessman, Osama bin Laden, officially, took responsibility for the Djakarta, Indonesia, bombing of the American-operated, JW Marriott Hotel of the previous Tuesday (August 5).

But the al Qaeda admission did not seem to affect trading on the world's major equity markets, last Monday, in spite of another warning that the group would be targeting more US properties in the months to come.

While New York slept, last Monday in Asia, things were popping, led by trading on The Tokyo Stock Exchange where, despite the Obon Holidays – when, traditionally, Japanese families pay homage to their ancestors by visiting home towns and cemeteries – Japanese investors went on a buying spree.

The general opinion, last Monday in Asia, was that, since there had been no negative news over the weekend of August 9-10, then, no news was good news.

Whether or not Wall Street would agree with that kind of logic remained to be seen because, the previous Friday, US equity markets had been far from buoyant.

On The New York Stock Exchange, on Friday, August 8, the Dow Jones Industrial Average gained 64.64 points, or about 0.71 percent, ending the week at 9,191.09 points.

On the NASDAQ, the Composite Index went in the opposite direction to The Dow, losing nearly one half of a percentage point, as investors pushed it back to 1,644.03 points.

In Europe, things had been a little different over the weekend of August 9-10, compared with the relative calm of the Americas: The French-owned, heavy engineering equipment company of Alstom confirmed that it would be sacking about half of its workers.

That means that not fewer than 5,000 Frenchmen will be hitting the streets, looking for alternative employment.

In addition, Alstom intends to offload its division, manufacturing equipment for the production of electricity generators in England, to the highest bidder, it confirmed.

That could mean the '*relocation*' of another 3,000 workers, this time of the English variety.

In Europe, investors were not nearly as positive about the direction of equities as their Asian counterparts; they preferred to wait in order to see what would happen on Wall Street, when it opened for business.

Also, the US Federal Reserve Board was due to meet on Tuesday, August 12, and there were still some doubts as to what The Fed might say when it met.

This was how the major European bourses fared, last Monday:

Amsterdam's AEX Index	Plus	0.28 percent
Great Britain's FTSE 100 Index	Plus	0.70 percent
Germany's Frankfurt XETRA DAX Index	Plus	0.22 percent
France's CAC40 Index	Plus	0.72 percent
Switzerland's Swiss Market Index	Minus	0.03 percent
Italy's MIBTEL Index	Plus	0.67 percent

On equity markets in Asia, most of the major ones saw investors boost key indices.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors had little reason to feel bullish about their lot, but, nevertheless, they determined to take the plunge and to buy stocks and shares, moderately, on the 2

stock markets of the territory.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index, which is the key index of this market, charting the movements of blue chips, rose by about 1.49 percent to hit 10,093.54 points by the time that the closing bell sounded.

However, the Total Turnover was only about \$HK7.58 billion – which is hardly the stuff out of which bulls are made.

The ratio of gainers to losers was wide, at about 2.65:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 1.04 percent to \$HK97.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 2.90 percent to \$HK19.50 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.21 percent to \$HK50.00 per share
Regal Hotels International Holdings Ltd (Code: 78)	Up 56.31 percent to 16.10 cents per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 0.87 percent to \$HK46.30 per share
CNOOC Ltd (Code: 883)	Up 4.07 percent to \$HK12.80 per share
PetroChina Company Ltd (Code: 857)	Up 2.22 percent to \$HK2.30 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 0.70 percent to \$HK50.25 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.59 percent to \$HK6.50 per share
China Merchants Holdings (International) Company Ltd (Code: 144)	Up 6.85 percent to \$HK7.80 per share

There were a total of 57, double-digit movers of the day, but only 6 of their number fell by 10 percent or more. The other 51 big movers regained at least 10 percent of their values by the time that the closing bell rang.

Rosedale Hotel Group Ltd (Code: 149) was the counter with the biggest upward movement, as investors pushed up its share price by 221.13 percent to 22.80 cents.

U-Cyber Technology Holdings Ltd (Code: 91) was the biggest loser of the day, the share price of which was driven down by 16 percent to 21 cents.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, on a Total Turnover of about \$HK134.56 million, The Growth Enterprise Index put on about 0.58 percent, rising to 1,129.54 points.

However, declining counters outnumbered advancing ones by the ratio of about 1.08:One.

As for the 5, most-active counters, in terms of their respective turnovers, only, they were:

Wah Sang Gas Holding Ltd (8035)	Up 3 percent to 98 cents per share
tom.com Ltd (Code: 8001)	Up 1 percent to \$HK2.025 per share
hongkong.com Corporation (Code: 8006)	Up 3 percent to 77 cents per share
Global Link Communications Holdings Ltd (Code: 8060)	Down 1 percent to \$HK1.34 per share
Panva Gas Holdings Ltd (Code: 8132)	Unchanged at \$HK3.85 per share

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

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Fortune Telecom Holdings Ltd	8040		16.44	0.61
GreaterChina Technology Group Ltd	8032	10.00		0.11
M21 Technology Ltd	8153	16.67		0.35
Milkyway Image Holdings Ltd	8130		10.42	0.043
Neolink Cyber Technology (Holding) Ltd	8116	10.11		0.098
Tradeeasy Holdings Ltd	8163	10.00		0.022
Tungda Innovative Lighting Holdings Ltd	8229		22.67	0.29

On The Tokyo Stock Exchange, the premier equity market of Japan, the Nikkei-225 Stock Average gained 160.27 yen, equivalent to about 1.72 percent, recovering more of the previous week's losses, to end the day at 9,487.80 yen.

But the number of shares that was traded last Monday, dropped to about 84 percent of the volume of activity of the previous Friday's.

That was in keeping with tradition of the Obon Holidays (see above) since many Tokyo investors had gone to visit ancestral gravesites in other parts of the country.

The ratio of gainers to losers on The Tokyo Stock Exchange was about 2.20:One.

Japan, as with most equity markets of the world, was awaiting the determinations of the US Federal Reserve Board, whose Open Market Committee Meeting was due to convene again on Tuesday, Washington time.

News wise:

- **Japan's Current Account Surplus** shrank by about 8 percent in the first half of this year, compared with the like 2002 period, The Finance Minister said in its preliminary report. It was the first decline in 42 months;
- **Private-sector orders for machinery** rose a seasonally adjusted 2.40 percent in June, compared with the May figures, to 954 billion yen, the Government of Prime Minister Junichiro Koizumi announced. It was the highest number of orders since August 2001, when the backlog in inventory books hit a value of about 1.02 trillion yen;
- **Softbank Corporation** reported that it had suffered a Group Net Loss of about 34.73 billion yen in the first quarter of 2003; and,
- **McDonald's Holdings Company (Japan)** cut its earnings forecast for this year by about 47 percent to 2.09 billion yen. It had, earlier, suggested a Net Profit of about 3.96 billion yen. McDonald's operates 3,800 outlets in Japan and is the country's largest in the field of fast-food restaurants.

In other Asian markets, this was the way things looked, last Monday night:

HKSAR	Plus 1.49 percent to 10,093.54
Indonesia	Minus 0.10 percent to 504.84
Japan	Plus 1.72 percent to 9,487.80
Malaysia	Plus 0.64 percent to 726.83
The Philippines	Plus 0.42 percent to 1,238.00
Singapore	Plus 1.24 percent to 1,553.59
South Korea	Plus 0.06 percent to 704.58
Taiwan	Minus 0.34 percent to 5,214.60
Thailand	Plus 1.99 percent to 513.19

Tuesday

Taking the position that the US Federal Reserve Board would make no draconian recommendations when it met on Tuesday, August 12, in Washington, D.C., investors on the world's largest equity markets determined to take the plunge.

Share prices rose on both The New York Stock Exchange and the NASDAQ, last Monday, New York time.

The Dow Jones Industrial Average, the *'barometer'* of trading in blue chips, listed on the Big Board of The New York Stock Exchange, rose 0.29 percent, ending the session at 9,217.35 points.

Over on the NASDAQ, the Composite Index of this predominantly hi-tech market gained about 1.06 percent, rising to 1,661.51 points.

The only really scandalous piece of news, last Monday in New York, was a confirmed report that a former employee of stockbrokerage house, Merrill Lynch and Company, Mr Daniel Gordon, was being investigated by the Canadian Authorities in respect of alleged money laundering operations.

A spokesman for Alberta Justice, Mr Jason Chance, said:

'There is an ongoing Royal Canadian Mounted Police investigation, relating to money laundering ... materials, filed with the Courts, demonstrate that the suspects are Daniel Gordon, Michael Ritter and Newport Pacific Financial Group.'

In Europe, investors were undecided as to whether or not to take a chance on what The Fed might do when it met.

Would interest rates be maintained at current levels?

Or, would the key interest rate, the Fed Funds Rate, be cut even lower than the record-low level, now existing, of one percent?

Markets hate uncertainty.

This is what happened on major European equity markets, last Tuesday:

Amsterdam's AEX Index	Plus 0.68 percent
Great Britain's FTSE 100 Index	Plus 0.21 percent
Germany's Frankfurt XETRA DAX Index	Plus 1.26 percent*
France's CAC40 Index	Plus 0.62 percent
Switzerland's Swiss Market Index	Plus 0.93 percent
Italy's MIBTEL Index	Plus 0.47 percent

* This was the biggest gainer in Europe, last Tuesday

Asian markets were generally stronger, but it appeared that they, too, were struggling to maintain their respective positions in positive territory.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the Total Turnover rose to about \$HK11.75 billion, as investors picked up stocks and shares, pushing up the Hang Seng Index to 10,184.17 points.

The ratio of gainers to losers was exactly 2:One.

The Ten Most Active counters were:

HSBC Holdings plc (Code: 5)	Up 0.26 percent to \$HK97.25 per share
China Mobile (Hongkong) Ltd (Code: 941)	Up 0.26 percent to \$HK19.55 per share
Cathay Pacific Airways Ltd (Code: 293)	Up 6.87 percent to \$HK12.45 per share
PetroChina Company Ltd (Code: 857)	Up 1.09 percent to \$HK2.325 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.88 percent to \$HK85.75 per share
Maanshan Iron and Steel Company Ltd (Code: 323)	Up 4.12 percent to \$HK1.77 per share
Hutchison Whampoa Ltd (Code: 13)	Up 1.50 percent to \$HK50.75 per share
China Travel International Investment Hongkong Ltd (Code: 308)	Up 6.38 percent to \$HK1.50 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 1.94 percent to \$HK47.20 per share
Jiangxi Copper Company Ltd (Code: 358)	Up 8.98 percent to \$HK1.82 per share

There were 40, double-digit movers of the day, with the share prices of 34 of their number, rising 10 percent or more, while 6, double-digit movers saw their share prices slashed by 10 percent or more.

Morning Star Resources Ltd (Code: 542) was the biggest gainer of the day, as investors pushed up its share price by 88 percent to 9.40 cents.

[Surge Recreation Holdings Ltd](#) (Code: 703) was the biggest loser of the day, with a fall of 32.58 percent, as its share price dropped to 6 cents.

(Please see Volume V, Number 152, published on August 13, 2003)

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, as with the Main Board, the Total Turnover rose, materially, compared with Monday's volume of activity, to \$HK209.14 million.

The Growth Enterprise Index added about 2.53 percent to its value, ending the very active trading day at 1,158.06 points.

But the ratio of gainers to losers was only about 1.15:One, indicating that investors were only trading in very select issues.

As for the 5, most-active counters, in terms of their respective turnovers, only, they were:

CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Up 8 percent to \$HK1.77 per share
Kingdee International Software Group Company Ltd (Code: 8133)	Up 16 percent to \$HK2.25 per share
tom.com Ltd (Code: 8001)	Up 4 percent to \$HK2.10 per share
Shine Science and Technology (Holdings) Ltd (Code: 8270)*	33.50 cents per share
Wah Sang Gas Holding Ltd (8035)	Down 1 percent to 97 cents per share

* This is a new issue and was traded for the first time, last Tuesday

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
B M Intelligence International Ltd	8158		22.22	0.028
Jessica Publications Ltd	8137	10.00		0.22
Kingdee International Software Group Company Ltd	8133	15.98		2.25
Media Partners International Holdings Incorporated	8072	20.50		0.194
Medical China Ltd	8186	21.62		0.09
Milkyway Image Holdings Ltd	8130		18.60	0.035
New Chinese Medicine Holdings Ltd	8085		10.00	0.045
Superdata Software Holdings Ltd	8263	20.00		0.42
SYSCAN Technology Holdings Ltd	8083		22.89	0.064
Timeless Software Ltd	8028	14.74		0.179
Tungda Innovative Lighting Holdings Ltd	8229	12.07		0.325
Vertex Communications and Technology Group Ltd	8228	11.11		0.15
Xteam Software International Ltd	8178	17.83		0.185

News wise:

- **Payrolls are expected to be cut** again this year, according to a survey, produced by The Hongkong Institute of Human Resources Management. The Survey, conducted annually, suggested that companies in the HKSAR are planning to cut permanent, full-time workers by about 4.70 percent, this year, however, junior staff could well be the hardest hit;
- **tom.com Ltd (Code: 8001)** reported a Loss Attributable to Shareholders of about \$HK32.67 million for the first half of its Financial Year, to June 30, 2003. That result compared with a Loss Attributable to Shareholders of about \$HK124.51 million for the comparable 2002 first half; and,
- **Hon Po Group (Lobster King) Ltd (Code: 228)** announced that there could well be a change in the Substantial Shareholder of the company, following an approach, having been made by an Independent third party to the Chairman and his gang.

In Japan, investors were told that their economy improved by about 0.60 percent for the quarter, ended June 30, 2003.

Annualising the quarter's results suggested a 2.30-percent growth for the year.

That was enough for many investors, who continued to buy into stocks and shares, listed on the country's 3 equity markets.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average rose by 77.01 yen, or about 0.81 percent, to run up to 9,564.81 yen.

The ratio of gainers to losers was, exactly, 2:One.

Had it not been for the US Federal Reserve Board's meeting of last Tuesday, no doubt, the largest market for equities in Asia would have seen its key indices at even higher levels.

This was the way that investors in other Asian markets saw the situation, last Tuesday:

HKSAR	Plus 0.90 percent to 10,184.17
Indonesia	Plus 0.31 percent to 506.42
Japan	Plus 0.81 percent to 9,564.81
Malaysia	Minus 0.36 percent to 724.21
The Philippines	Plus 0.80 percent to 1,247.93
Singapore	Plus 0.65 percent to 1,563.63
South Korea	Minus 0.47 percent to 701.30
Taiwan	Plus 0.78 percent to 5,255.24
Thailand	Closed

Wednesday

As most people had expected, the US Federal Reserve Board left well enough alone: Interest rates will not be moved, one way or the other.

Last Tuesday, in Washington D.C., The Fed said:

'The Federal Open Market Committee decided today to keep its target for the federal funds rate at one percent.

'The Committee continues to believe that an accommodative stance of monetary policy, coupled with still-robust underlying growth in productivity, is providing important ongoing support to economic activity. The evidence accumulated over the inter-meeting period shows that spending is firming, although labour market indicators are mixed.

'Business pricing power and increases in core consumer prices remain muted.

'The Committee perceives that the upside and downside risks to the attainment of sustainable growth for the next few quarters are roughly equal.

'In contrast, the probability, though minor, of an unwelcome fall in inflation exceeds that of a rise in inflation from its already low level.

'The Committee judges that, on balance, the risk of inflation, becoming undesirably low, is likely to be the predominant concern for the foreseeable future.

'In these circumstances, the Committee believes that policy accommodation can be maintained for a considerable period.'

Wall Street took The Fed's statements to be mildly bullish.

TARGET hastens to add that it did not think that The Fed's statement was positive, at all.

On The New York Stock Exchange, the Big Board's Dow Jones Industrial Average gained 92.71 points, equivalent to about one percent, ending the day at 9,310.06 points.

On the NASDAQ, its Composite Index jumped 25.50 points, or about 1.53 percent, running back to 1,687.01 points.

In Europe, there appeared to be a great deal of hesitancy about the near-term direction of eurozone listed equities.

Generally, however, in spite of the mildly bullish sentiments on Wall Street, European investors were not happy with their lot.

This was how major bourses on Europe ended their respective sessions, last Wednesday:

Amsterdam's AEX Index	Minus 0.03 percent
Great Britain's FTSE 100 Index	Minus 0.12 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.51 percent
France's CAC40 Index	Minus 0.01 percent
Switzerland's Swiss Market Index	Minus 0.38 percent
Italy's MIBTEL Index	Plus 0.07 percent

In Asia, on the back of the statements of The Fed, indices on major bourses rose, some quite materially.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors, it appeared, could not wait to load up on stocks and shares.

On The Stock Exchange of Hongkong Ltd, the Main Board's Total Turnover rose to about \$HK16.14 billion, a level, not seen for many a moon.

The Hang Seng Index gained about 1.15 percent to hit 10,301.47 points by the close of the day.

The ratio of gainers to losers was 1.78:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 1.80 percent to \$HK99.00 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.02 percent to \$HK19.35 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.99 percent to \$HK51.25 per share

BOC Hongkong (Holdings) Ltd (Code: 2388)	Up 0.59 percent to \$HK8.55 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.46 percent to \$HK52.00 per share
Wharf (Holdings) Ltd (Code: 4)	Up 6.60 percent to \$HK16.95 per share
PetroChina Company Ltd (Code: 857)	Up 2.15 percent to \$HK2.375 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 2.12 percent to \$HK48.20 per share
Maanshan Iron and Steel Company Ltd (Code: 323)	Unchanged at \$HK1.77 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.87 percent to \$HK86.50 per share

As for the double-digit movers of the day, there were 38 in all, with the share prices of 26, double-digit movers, gaining 10 percent or more, while 12 of their number saw investors pare their respective market capitalisations by 10 percent or more.

Digital World Holdings Ltd (Code: 109) was the biggest gainer of the day, its share price, rising 50.23 percent to 3.20 cents.

World Trade Bun Kee Ltd (Code: 380) had the distinction of being the biggest loser of the day as its share price fell 16.67 percent to \$HK1.00.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, this speculative market continued to make gains.

Investors pushed up The Growth Enterprise Index by another 1.28 percent, ending the day at 1,172.84 points.

In spite of The Growth Enterprise Index, making material gains, losers outnumbered gainers by the ratio of 1.04:One.

The Total Turnover rose to about \$HK354.09 million, with trading in the shares of Mr Li Ka Shing's tom.com Ltd (Code: 8001), being responsible for about 45 percent of the entire volume of activity.

As for the 5, most-active counters, in terms of their respective turnovers, only, they were:

tom.com Ltd (Code: 8001)	Up 8 percent to \$HK2.275 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 1 percent to \$HK1.75 per share
hongkong.com Corporation (Code: 8006)	Up 7 percent to 81 cents per share
Wah Sang Gas Holding Ltd (Code: 8035)	Unchanged at 97 cents per share
Shine Science and Technology (Holdings) Ltd (Code: 8270)	Up 4 percent to 35 cents per share

The double-digit movers of the day included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
AKuP International Holding Ltd	8179		16.67	0.02
Yantai North Andre Juice Company Ltd	8259	10.00		4.40
Angels Technology Company Ltd	8112		13.25	0.216
B M Intelligence International Ltd	8158	35.71		0.038
Fast Systems Technology (Holdings) Ltd	8150		10.67	0.067
Golding Soft Ltd	8190		11.67	0.053
IIN International Ltd	8128		22.50	0.031
iSteelAsia Holdings Ltd	8080		10.59	0.152
ITE (Holdings) Ltd	8092		10.71	0.05
Kinetana International Biotech Pharma Ltd	8031		13.89	0.062
MediaNation Incorporated	8160	13.33		0.119
Medical China Ltd	8186		11.11	0.08
New Universe International Group Ltd	8068		31.25	0.033
Timeless Software Ltd	8028		12.85	0.156
Yuxing InfoTech Holdings Ltd	8005	11.54		0.29

In Japan, investors on Asia's largest equity markets were treated to the fourth consecutive day of gains on the country's 3 stock markets.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average, the key index of this market, rose by about 187.94 yen, or about 1.96 percent, ending the day at 9,752.75 yen.

Gainers outnumbered losers by the wide margin of 4.14:One.

Tokyo was reacting, directly, to the statements of the US Federal Reserve Board, according to anecdotal evidence, gathered by **TARGET's** office.

Banking counters were among the biggest gainers of the day, with investors, using the logic that, if the second-largest economy of the world is on the mend, truly, then, Japanese banks must be at the forefront of gains in the export market.

This was the way that other Asian markets closed, last Wednesday night:

HKSAR	Plus 1.15 percent to 10,301.47
Indonesia	Plus 0.95 percent to 511.23
Japan	Plus 1.96 percent to 9,752.75
Malaysia	Unchanged at 724.23
The Philippines	Plus 1.17 percent to 1,262.50
Singapore	Plus 1.78 percent to 1,591.48
South Korea	Plus 1.68 percent to 713.08
Taiwan	Plus 3.56 percent to 5,442.27
Thailand	Plus 2.33 percent to 525.15

Thursday

Australia, the United States (US) and Great Britain issued warnings to their citizens to stand by for more terrorist attacks at 'soft' targets.

The US and Australia warned that further terrorist attacks should be expected in countries, such as Indonesia, while Great Britain stopped all flights to Saudi Arabia until further notice.

The heightened state of alert followed the arrest in the US of a British citizen of Aryan decent, who attempted to smuggle a hand-held, missile launcher into the US, that missile launcher, quite capable of bringing down an aeroplane. Other arrests of suspected accomplices followed.

The intelligence, gathered from individuals, already in custody in the US, constituted what is, now, termed: '*Credible intelligence.*'

What direct effect the terrorist alert had on Wall Street was not quite certain, but suffice it to state that indices on the largest stock markets of the world were in retreat.

On The New York Stock Exchange, the Dow Jones Industrial Average lost about 38.30 points, or about 0.41 percent, coming to rest at 9,271.76 points.

On the NASDAQ, the Composite Index surrendered about 0.02 percent, falling back to 1,686.50 points.

In Europe, the big news was that Germany, officially, is enjoying an economic recession.

For the 3 months, ended June 30, 2003, the economy contracted by about 0.10 percent.

In the previous quarter, the German economy – which is the largest single economy of the European Community (EU) – lost about 0.20 percent.

The previous week, it had been announced that Italy was enjoying recession, too.

And the week, previous to that, it was announced that France was, also, facing economic recession.

The US economy has been in trouble for some 3 years, now, and its problems have become the world's problems.

On European bourses, last Thursday, this was how pundits in that part of the world viewed the situation:

Amsterdam's AEX Index	Plus 0.78 percent
Great Britain's FTSE 100 Index	Plus 0.53 percent
Germany's Frankfurt XETRA DAX Index	Plus 0.05 percent
France's CAC40 Index	Plus 0.78 percent
Switzerland's Swiss Market Index	Plus 0.96 percent
Italy's MIBTEL Index	Plus 1.10 percent

In Asia, it appeared that investors in the most-populous part of the world had not, yet, woken up to the terrorist threats or the fact that some of Asia's biggest customers were in serious financial trouble.

Most of the indices on major stock markets in Asia rose, last Thursday, led by South Korea's market.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), trading remained brisk on the territory's 2 equity markets.

On the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index gained another 0.70 percent, rising to 10,374.02 points.

The ratio of gainers to losers was about 1.47:One.

The Total Turnover was about \$HK12.03 billion, with trading in the scrip of HSBC Holdings plc (Code: 5), accounting for about 15.62 percent of that figure.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 1.52 percent to \$HK100.50 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.29 percent to \$HK19.10 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 3.53 percent to \$HK49.90 per share
Hang Seng Bank Ltd (Code: 11)	Up 0.87 percent to \$HK87.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Up 1.92 percent to \$HK53.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.49 percent to \$HK51.50 per share
PetroChina Company Ltd (Code: 857)	Down 1.05 percent to \$HK2.35 per share
China Merchants Holdings (International) Company Ltd (Code: 144)	Up 2.56 percent to \$HK8.00 per share
Hongkong Exchanges and Clearing Ltd (Code: 388)	Down 2.51 percent to \$HK13.60 per share
Li and Fung Ltd (Code: 494)	Up 6.33 percent to \$HK11.75 per share

As for the biggest movers of the day, there were 46, double-digit movers, with 34 of their number, managing gains of 10 percent or more, while the rest saw their market capitalisations pared by 10 percent or more.

New World CyberBase Ltd (Code: 276) managed to be the biggest gainer of the day, as investors push up its share price by 40.48 percent to 5.90 cents.

FT Holdings International Ltd (Code: 559) had the dubious distinction of being the biggest loser of the day, with its share price, falling 24.56 percent to 4.30 cents.

On The (very speculative) Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, the volume of activity moderated, but The Growth Enterprise Index continued to make gains, rising about 0.60 percent to hit 1,179.89 points by the time that the bell sounded, signifying the end to trading for the day.

The Total Turnover dropped back to about \$HK196.51 million.

The ratio of gainers to losers was about 1.39:One.

As for the 5, most-active counters, in terms of their respective turnovers, only, they were:

tom.com Ltd (Code: 8001)	Up 1 percent to \$HK2.30 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Up 1 percent to \$HK1.76 per share
Kanstar Environmental Technology Holdings Ltd (Code: 8011)	Up 3 percent to \$HK1.08 per share
hongkong.com Corporation (Code: 8006)	Up 1 percent to 82 cents per share
Tong Ren Tang Technologies Company Ltd (Code: 8069)	Down 2 percent to \$HK12.35 per share

As for the largest movers of the day, they were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
IIN International Ltd	8128	19.35		0.037
Info Communication Holdings Ltd	8082		15.00	0.034
iSteelAsia Holdings Ltd	8080		19.74	0.122
M Channel Corporation Ltd	8036	43.75		0.023
New Chinese Medicine Holdings Ltd	8085	16.67		0.049
New Universe International Group Ltd	8068	15.15		0.038

Panorama International Holdings Ltd	8173		19.23	0.063
ProSticks International Holdings Ltd	8055	25.00		0.025
Qianlong Technology International Holdings Ltd	8015	10.00		0.22
Town Health International Holdings Company Ltd	8138		11.11	0.056

News wise:

- **The Chief Executive of the HKSAR**, Mr Tung Chee Hwa, in a rare public performance, admitted that, in the past, he had been focusing on the big picture for the territory, neglecting the *'micro-needs'* of its citizens (sic).

In Japan, for the fifth consecutive day, share prices rose on the country's 3 stock markets.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average gained 160.72 yen, equivalent to about 1.65 percent, rising to 9,913.47 yen.

Advancing counters outran declining ones by the ratio of about 2.70:One.

Banks continued to be among the biggest movers of the day, following suggestions that retail sales in the US had been picking up of late. This caused some interest in the export market, once again.

And, in other Asian markets, this was how they ended their respective sessions, last Thursday night:

HKSAR	Plus	0.74 percent to 10,374.02
Indonesia	Minus	0.21 percent to 510.29
Japan	Plus	1.65 percent to 9,913.47
Malaysia	Plus	0.45 percent to 727.46
The Philippines	Plus	0.14 percent to 1,264.30
Singapore	Plus	0.47 percent to 1,598.97
South Korea	Plus	1.95 percent to 727.01
Taiwan	Minus	0.10 percent to 5,436.75
Thailand	Minus	1.20 percent to 518.83

Friday

For the first time since the introduction of electricity to New York, in 1881, when Edison Electrical Illuminating Company turned on the electric lights in the financial heart of the United States (US), some 50 million people suffered the indignity of being without electricity.

The power outage occurred just after trading had ceased on the world's largest equity markets so that it did not affect trading in equities in New York, but it did shut down businesses and factories, from the Ohio Valley, the US, to Ottawa, Canada.

Commuters were stranded, from New York's Central Station to the Subways of Toronto, Canada.

Airports shut down as people waited to hear whether or not the blackout had been the work of terrorists.

The President of the US, Mr George W. Bush, and the Prime Minister of Canada, Mr Jean Chrétien, made various announcements, via the radio, about the matter.

They claimed, at first, that it had been due to lightning, striking a power-generating station in the Niagara Falls Region.

However, there had been no storms in that area, or anywhere else in North America, for that matter.

Then, Prime Minister Jean Chrétien changed his tune, slightly, claiming that the severe power outage had been due to a problem in a Pennsylvania (US) nuclear power station.

The Office of the Prime Minister got it wrong, again.

Luckily, the power failure occurred after the hammer had come down, ending trading on The New York Stock Exchange for the day, thus, not interfering with the business of buying and selling equities.

The Dow Jones Industrial Average, the key index of blue chips, listed on the Big Board of The New York Stock Exchange, gained about 38.80 points, or about 0.42 percent, ending the day at 9,310.56 points.

Over on the NASDAQ, its Composite Index gained 13.73 points, equivalent to about 0.81 percent, running back to 1,700.34 points.

During the trading day, it was announced by The Labour Department that the number of workers, filing for Initial Unemployment Insurance benefits, had risen, during the past week, by 2,000 claims to 398,000 claims.

The news was not inspiring.

In Europe, the news of the power failure across the northern part of America caused some consternation, but it did not seem to stop the march of investors, who continued to load up on stocks and shares.

Indices of major equity markets were unaffected by the power failure in New York and other parts of North America, as residents braved what was known as rolling blackouts.

This was how some of the major European stock markets ended the week of August 15:

Amsterdam's AEX Index	Plus 0.92 percent
Great Britain's FTSE 100 Index	Plus 0.22 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.25 percent
France's CAC40 Index	Plus 0.54 percent
Switzerland's Swiss Market Index	Plus 1.29 percent
Italy's MIBTEL Index	Plus 1.10 percent

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), investors continued to buy into blue chips, listed on the Main Board of The Stock Exchange of Hongkong Ltd, but distained to touch shares, of many of the speculative issues of The Growth Enterprise Market (The GEM).

The Hang Seng Index, the '*barometer*' of trading in blue chips, listed on the Main Board of The Stock Exchange of Hongkong Ltd, gained about 0.49 percent, ending the week at 10,424.56 points.

While the information about the power failures in the northern part of North America was a big unknown, it did not seem to hinder trading in equities on the last day of the week.

The ratio of gainers to losers was narrow, however, at 1.04:One.

The volume of activity, measured dollars and cents, was about \$HK12.51 billion.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Up 1.49 percent to \$HK102.00 per share
Sun Hung Kai Properties Ltd (Code: 16)	Up 3.21 percent to \$HK51.50 per share
PetroChina Company Ltd (Code: 857)	Down 2.30 percent to \$HK2.30 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 0.52 percent to \$HK19.00 per share
Hutchison Whampoa Ltd (Code: 13)	Up 0.97 percent to \$HK52.00 per share
China Pharmaceutical Group Ltd (Code: 1093)	Up 0.86 percent to \$HK2.925 per share
Hang Seng Bank Ltd (Code: 11)	Unchanged at \$HK87.25 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 0.94 percent to \$HK52.50 per share
Cathay Pacific Airways Ltd (Code: 293)	Down 2.02 percent to \$HK12.15 per share
Maanshan Iron and Steel Company Ltd (Code: 323)	Up 1.10 percent to \$HK1.83 per share

There were a total of 34, double-digit movers of the day, with 9 of their number, seeing their share prices, falling 10 percent or more.

The other 25, big movers gained at least 10 percent of their respective market capitalisations by the time that the closing bell rang.

FT Holdings International Ltd (Code: 559) was the counter with the biggest upward movement, as investors pushed up its share price by 39.53 percent to 6 cents.

KG NextVision Company Ltd (Code: 516) was the biggest loser of the day, the share price of which was driven down by 21.62 percent to 5.80 cents.

On The GEM, The Growth Enterprise Index lost about 1.09 percent, ending the week at 1,167.08 points.

The Total Turnover dropped back to about \$HK144.53 million.

The ratio of losers to gainers was about 1.06:One.

As for the 5, most-active counters, in terms of their respective turnovers, only, they were:

tom.com Ltd (Code: 8001)	Down 3 percent to \$HK2.225 per share
hongkong.com Corporation (Code: 8006)	Down 2 percent to 80 cents per share
Global Link Communications Holdings Ltd (Code: 8060)	Unchanged at \$HK1.36 per share
CK Life Sciences International (Holdings) Incorporated (Code: 8222)	Down 2 percent to \$HK1.73 per share
Kanstar Environmental Technology Holdings Ltd (Code: 8011)	Up 3 percent to \$HK1.11 per share

As for the double-digit movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
Far Eastern Polychem Industries Ltd	8012		14.53	1.53
G.A. Holdings Ltd	8126		30.00	0.133
IIN International Ltd	8128		13.51	0.032
Inno-Tech Holdings Ltd	8202		16.67	0.16
ITE (Holdings) Ltd	8092		20.00	0.04
M Channel Corporation Ltd	8036	13.04		0.026
MediaNation Incorporated	8160	12.00		0.14
New Universe International Group Ltd	8068	21.05		0.046
Proactive Technology Holdings Ltd	8089	20.00		0.06
ProSticks International Holdings Ltd	8055		20.00	0.02
Satellite Devices Corporation	8172		10.53	0.034
Systek Information Technology (Holdings) Ltd	8103	35.00		0.027
Universal Technologies Holdings Ltd	8091	16.28		0.10

The tally for the week on The Stock Exchange of Hongkong Ltd, therefore, was:

Hang Seng Index	Plus 4.82 percent
The Growth Enterprise Index	Plus 3.93 percent

In The Land of The Rising Sun, the equity markets appeared to lose a bit of their appeal to investors.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average lost about 55.04 yen, or about 0.56 percent, ending the week at 9,858.43 yen.

Losing counters outnumbered gaining ones by the ratio of about 1.07:One.

News wise:

- **Corporate failures** numbered 1,384 in July, down by about 23.70 percent, Year-on-Year. It was the seventh consecutive month of declines, Teikoku Databank Ltd reported.

The tally for the week for the biggest bourse in Asia, therefore, was:

The Nikkei-225 Stock Average	Plus 3.12 percent
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And this is how other Asian stock markets ended trading for the week of August 15, 2003:

HKSAR	Plus 0.49 percent to 10,424.56
Indonesia	Plus 1.28 percent to 516.65
Japan	Minus 0.50 percent to 9,863.47
Malaysia	Plus 0.14 percent to 728.51
The Philippines	Minus 1.29 percent to 1,248.05
Singapore	Minus 0.29 percent to 1,594.32
South Korea	Closed
Taiwan	Plus 0.96 percent to 5,488.74

Thailand	Plus 0.04 percent to 519.04
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