

**ECONOMISTS AND INVESTORS LOVE THAT MAN !
THANK YOU, DOCTOR**

With the lone exception of Japan, every equity market in Asia rose in a somewhat spectacular fashion, last Monday.

There was no single reason for the gains – which ignited stock-market fires in Europe, also – save, perhaps, more confirmation that the US and Europe were out of economic trouble, at least, for the time being.

On Friday, February 6, on Wall Street, the indices of the 2 biggest equity markets of the world rose to heights, not seen since November 2003.

On that day, on The New York Stock Exchange, the Dow Jones Industrial Average rose to 10,593.03 points, a one-day improvement of about 0.93 percent.

Over on the NASDAQ, its Composite Index shot up 44.45 points, equivalent to about 2.20 percent, ending the day at 2,064.01 points.

The US Government reported, on that very bullish, Friday trading day, that about 112,000 non-farm jobs had been created in the US in January.

Also, the US Government's Labour Department announced that the unemployment rate in the country had dipped to about 5.60 percent in January, which was the lowest level for the past 2 years.

On the negative side of investors' ledger was news that Cigna Corporation would be paring its workforce by about 3,000 jobs, equivalent to about 9 percent of its entire Establishment.

Cigna is one of the largest health insurers in the US ... at least, it held that title until last year when it lost about 1.50 million of its members.

Also a negative was the fact that there had been a confirmed case of Avian Influenza in some of the chickens of Delaware, the US.

Japan, South Korea, Malaysia and Singapore slammed their respective import doors tight on all chicken and chicken meat imports from the US.

In the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), only chicken and chicken meat, originating from Delaware, were banned entry to the territory.

In the PRC, more provinces reported outbreaks of the disease.

Over the weekend of February 6-8, the Group of Seven Industrialised nations (G7) met in Florida in order to exchange views on world events – because that was all that was, actually, accomplished: Talk.

The finance ministers, attending the G7 meeting, condemned what they described as '*excess volatility*' in currency exchange rates.

There was some criticism of the US Government in that it was doing very little to discourage the selling of the greenback on international, foreign-exchange markets.

The US Government criticised the PRC Government for not permitting the renminbi to find its own level on international, foreign-exchange markets instead of propping it up, artificially.

And the Japanese Government complained that the knock-on effect of the weak US dollar was harming that Asian country's economic recovery.

Round and round we go and where we stop, nobody knows.

On Sunday, February 8, US President George W. Bush, in a rare television appearance in defence of the US Government's determination to wage war on Iraq, last March, said that in spite of no weapons of mass destruction, having been found in that country, thus far, it was only one of the reasons for the US Government's pre-emptive attack (termed, euphemistically, 'liberation') of Iraq.

He said, among other things:

'He (Saddam Hussein, the former President of Iraq) had the capacity to have a weapon, make a weapon (of mass destruction). We thought he had weapons. The international community thought he had weapons. But he had the capacity to make a weapon and then let that weapon fall into the hands of a shadowy terrorist network.'

More than 500 American soldiers have died in the 'liberation' of Iraq, so far, and thousands of innocent Iraqis have, also, been killed, as a direct result of the US and British armed forces, attacking the country.

Notwithstanding the very embarrassing, political back-tracking of the most-powerful man on the planet, equity markets looked only to economic fundamentals for guidance to today's stock-market direction.

In Europe, last Monday, every major index on the largest stock markets in the region rose, as the following **TARGET** list illustrates:

| | |
|-------------------------------------|-------------------|
| Amsterdam's AEX Index | Plus 1.18 percent |
| Great Britain's FTSE 100 Index | Plus 0.70 percent |
| Germany's Frankfurt XETRA DAX Index | Plus 1.33 percent |
| France's CAC40 Index | Plus 1.08 percent |
| Switzerland's Swiss Market Index | Plus 1.00 percent |
| Italy's MIBTEL Index | Plus 0.96 percent |

For many European markets, last Monday's close was a 17-month high.

In Asia, it was a similar story to that, being told in Europe, with the lone exception of Japan.

On the premier equity market of the HKSAR, the Main Board of The Stock Exchange of Hongkong Ltd, the Hang Seng Index rose about 2 percent to 13,576.68 points.

The Total Turnover was about \$HK23.17 billion, with the ratio of gaining counters to losing ones, being 4.80:One.

The Ten Most Actives were:

| | |
|------------------------------------------------------|-----------------------------------------|
| HSBC Holdings plc (Code: 5) | Up 1.64 percent to \$HK124.00 per share |
| PetroChina Company Ltd (Code: 857) | Up 3.85 percent to \$HK4.05 per share |
| China Life Insurance Company Ltd (Code: 2628) | Up 4.72 percent to \$HK5.55 per share |
| BOC Hongkong (Holdings) Ltd (Code: 2388) | Up 2.76 percent to \$HK14.90 per share |
| Shanghai Forte Land Company Ltd (Code: 2337) | Up 14.85 percent to \$HK2.90 per share |
| China Mobile (Hongkong) Ltd (Code: 941) | Up 2.73 percent to \$HK26.30 per share |
| Hutchison Whampoa Ltd (Code: 13) | Up 1.94 percent to \$HK65.75 per share |
| China Petroleum and Chemical Corporation (Code: 386) | Up 3.85 percent to \$HK3.375 per share |
| Cheung Kong (Holdings) Ltd (Code: 1) | Up 1.70 percent to \$HK74.75 per share |
| Hang Seng Bank Ltd (Code: 11) | Up 1.41 percent to \$HK108.00 per share |

The biggest movers of the day numbered 34 counters, in all, with just 4 of their number, seeing shareholders shave their respective share prices by 10 percent or more.

The rest – 30 counters – witnessed gains of 10 percent or more in their respective share prices.

Leaptek Ltd (Code: 336) was the biggest gainer of the day, as investors pushed up its share price by about 34.95 percent to 13.90 cents.

Graneagle Holdings Ltd (Code: 147) had the distinction of being the biggest loser of the day, following massive selling pressure, which brought down its share price by about 15.79 percent to 32 cents.

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, The Growth Enterprise Index put on about 1.53 percent, ending the day at \$HK200.15 million.

The ratio of gainers to losers on this speculative market was about 2.67:One.

The 5, most-active counters, in terms of their respective turnovers, only, were:

| | |
|---------------------------------------------------------------------|--------------------------------------|
| hongkong.com Corporation (Code: 8006) | Down 1 percent to 87 cents per share |
| tom.com Ltd (Code: 8001) | Up 2 percent to \$HK2.475per share |
| Beijing Beida Jade Bird Universal Sci-Tech Company Ltd (Code: 8095) | Up 2 percent to \$HK1.25 per share |
| Phoenix Satellite Television Holdings Ltd (Code: 8002) | Up 6 percent to \$HK1.35 per share |
| Panva Gas Holdings Ltd (Code: 8132) | Down 1percent to \$HK3.95 per share |

The double-digit movers on this market were:

| Name of Company | Code | Increase (%) | Decrease (%) | Closing Price (\$HK) |
|-------------------------------------------------------|------|--------------|--------------|----------------------|
| AcrossAsia Multimedia Ltd | 8061 | 16.67 | | 0.098 |
| Cardlink Technology Group Ltd | 8066 | | 20.95 | 0.083 |
| Everpride Biopharmaceutical Company Ltd | 8019 | 15.69 | | 0.118 |
| Golding Soft Ltd | 8190 | 21.57 | | 0.062 |
| Grandy Applied Environmental Technology Corporation | 8143 | | 10.00 | 0.072 |
| Info Communication Holdings Ltd | 8082 | 54.76 | | 0.065 |
| Inworld Group Ltd | 8100 | 13.33 | | 0.068 |
| M Channel Corporation Ltd | 8036 | 21.43 | | 0.034 |
| Medical China Ltd | 8186 | 12.64 | | 0.205 |
| Shaanxi Northwest New Technology Industry Company Ltd | 8258 | 10.12 | | 0.185 |
| PINE Technology Holdings Ltd | 8013 | 31.03 | | 0.38 |
| Q9 Technology Holdings Ltd | 8129 | 89.39 | | 0.125 |
| Sau San Tong Holdings (Cayman Islands) Ltd | 8200 | 10.00 | | 0.55 |
| Vaso Digital International Holdings Ltd | 8220 | 10.81 | | 0.082 |

The 3 equity markets of The Land of The Rising Sun were the only exceptions to the bullish atmosphere on Asian stock markets, last Monday.

On The Tokyo Stock Exchange, the Nikkei-225 Stock Average closed the day, off by about 58.31 yen, or about 0.56 percent, to 10,402.61 yen.

The ratio of losing counters to gaining ones was about 1.27:One.

News wise

- **Sumitomo Chemical Company** reported that its Group Net Profit for the 9-month period, ended December 31, 2003, was about 23.42 billion yen.

And this was how other Asian bourses fared, last Monday:

The HKSAR Plus 2.00 percent to 13,576.68

| | |
|-----------------|---------------------------------|
| Indonesia | Plus 1.10 percent to 767.26 |
| Japan | Minus 0.56 percent to 10,402.61 |
| Malaysia | Plus 0.29 percent to 817.79 |
| The Philippines | Plus 1.15 percent to 1,478.35 |
| Singapore | Plus 1.82 percent to 1,888.20 |

| | | |
|-------------|------|--------------------------|
| South Korea | Plus | 1.71 percent to 864.77 |
| Taiwan | Plus | 1.73 percent to 6,463.09 |
| Thailand | Plus | 2.94 percent to 732.05 |

Tuesday

Trading on US equity markets was considerably subdued, last Monday, New York time, compared with the previous Friday's very bullish markets.

The reason ... [CLICK TO ORDER FULL ARTICLE](#)

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