

**DR ALAN GREENSPAN WARNS THE U.S. ADMINISTRATION:
LOOK DOWN THE LINE AT TOMORROW'S CASH REQUIREMENTS**

Trading was generally dull throughout Asia, last Monday, but the 3 Japanese bourses managed to buck the trend, with reasonable gains, brought about by the weakened Japanese yen, vis-à-vis the US dollar, and the prospects of better things to come for the second-largest economy of the world, later down the track.

However, there were some people who maintained that the gains would not hold because they lacked substance.

Wall Street had been quiet, the previous Friday (February 20, New York time), and that seemed to put investors in the most-populous part of the world on their guard, last Monday.

Major equity markets of the US have been having a great deal of trouble, of late, with regard to stock-market indices, moving up, and, then, being unable to hold onto those gains; the saying goes that a market cannot stay put for long for, if it cannot rise, then, it must fall.

On The New York Stock Exchange, the previous Friday, the Dow Jones Industrial Average fell about 0.43 percent to 10,619.03 points.

On the NASDAQ, the Composite Index shed about 0.39 percent of its value, ending the week at 2,037.93 points.

It looked as though the week, starting February 23, would see further erosions in share prices on the largest stock markets of the world.

In Europe, there was little to promote the purchases of stocks and shares on major bourses, so, as a result, many of them went into retreat.

Some brokers suggested that there could well be further merger and acquisitions in this part of the world, but that was all hype, not based on fact.

This was the way that the major, 6 equity markets of Europe fared, last Monday:

Amsterdam's AEX Index	Minus 0.67 percent
Great Britain's FTSE 100 Index	Plus 0.20 percent
Germany's Frankfurt XETRA DAX Index	Minus 0.11 percent
France's CAC40 Index	Minus 0.06 percent
Switzerland's Swiss Market Index	Plus 0.40 percent
Italy's MIBTEL Index	Plus 0.34 percent

On the Main Board of The Stock Exchange of Hongkong Ltd, the premier stock market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), the Hang Seng Index fell by three quarters of a percentage point, ending the session at 13,765.07 points.

The Total Turnover fell to about \$HK15.83 billion, with the ratio of declining counters to advancing ones, being about 1.58:One.

The Ten Most Actives were:

HSBC Holdings plc (Code: 5)	Unchanged at \$HK127.00 per share
Cheung Kong (Holdings) Ltd (Code: 1)	Down 1.99 percent to \$HK73.75 per share
Hutchison Whampoa Ltd (Code: 13)	Down 1.89 percent to \$HK64.75 per share
PetroChina Company Ltd (Code: 857)	Up 1.22 percent to \$HK4.15 per share
Sun Hung Kai Properties Ltd (Code: 16)	Down 2.29 percent to \$HK 74.75 per share
China Mobile (Hongkong) Ltd (Code: 941)	Down 1.28 percent to \$HK27.10 per share

Hang Seng Bank Ltd (Code: 11)
 Swire Pacific Ltd "A" (Code: 19)
 China Life Insurance Company Ltd (Code: 2628)
 BOC Hongkong (Holdings) Ltd (Code: 2388)

Up 0.46 percent to \$HK109.50 per share
 Unchanged at \$HK54.50 per share
 Unchanged at \$HK5.65 per share
 Down 0.32 percent to \$HK15.45 per share

As for the biggest movers of the day, they included:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
A-Max Holdings Ltd	959		15.49	0.60
CIL Holdings Ltd	479	10.00		0.022
Concepta Investments Ltd	1140		20.00	0.40
Culturecom Holdings Ltd	343	11.34		0.54
Daido Group Ltd	544	11.95		0.178
Dong Fang Gas Holdings Ltd	432		20.00	0.48
E. Bon Holdings Ltd	599		16.00	0.21
Everest International Investments Ltd	204	10.14		0.076
Goldbond Group Holdings Ltd	172	10.59		0.188
Golden Harvest Entertainment (Holdings) Ltd	1132	10.64		0.26
Guo Xin Group Ltd	1215		24.43	0.099
Interchina Holdings Company Ltd	202		12.82	0.34
Jade Dynasty Food Culture Group Ltd	970		12.66	0.345
Jinhui Holdings Company Ltd	137	32.14		25.90
KEL Holdings Ltd	681	12.96		0.305
Man Sang International Ltd	938	10.70		0.238
Massive Resources International Corporation Ltd	70	18.75		0.019
MAXX Bioscience Holdings Ltd	512	18.99		0.094
Nam Fong International Holdings Ltd	1176		28.81	0.042
Premium Land Ltd	164	13.73		0.058
Simsen International Corporation Ltd	993	11.76		0.095
Softbank Investment International (Strategic) Ltd	648	10.56		0.178
South Sea Holding Company Ltd	680	12.50		0.027
Star East Holdings Ltd	198	17.86		0.066
Techwayson Holdings Ltd	2330	11.43		0.78
Tem Fat Hing Fung (Holdings) Ltd	661	14.49		0.79
Theme International Holdings Ltd	990	11.76		0.057
Tysan Holdings Ltd	687	11.76		0.38
Wah Nam International Holdings Ltd	159		14.81	0.23
Wonson International Holdings Ltd	651	25.93		0.034

On The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, it was a similar story, as that which was being told on the Main Board, with the major difference, being that the lone index, The Growth Enterprise Index, only fell by about 0.24 percent to 1,334.83 points.

The Total Turnover on this speculative market was about \$HK255.98 million.

The ratio of losing counters to gaining ones was about 1.14:One.

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

Phoenix Satellite Television Holdings Ltd (Code: 8002)	Up 8 percent to \$HK1.62 per share
Beijing Beida Jade Bird Universal Sci-Tech Company Ltd (Code: 8095)	Up 2 percent to \$HK1.54 per share
tom.com Ltd (Code: 8001)	Down 2 percent to \$HK2.40 per share
hongkong.com Corporation (Code: 8006)	Up 3 percent to \$HK1.02 cents per share
Panva Gas Holdings Ltd (Code: 8132)	Down 1 percent to \$HK3.925 per share

The double-digit movers of the day were:

Name of Company	Code	Increase (%)	Decrease (%)	Closing Price (\$HK)
abc Multiactive Ltd	8131	12.86		0.158
Excel Technology International Holdings Ltd	8048		11.76	0.15

FX Creations International Holdings Ltd	8136	18.67		0.178
Xi'an Haitian Antenna Technologies Company Ltd	8227	11.90		0.94
HK6 Holdings Ltd	8206		11.63	0.038
Info Communication Holdings Ltd	8082		20.93	0.068
ITE (Holdings) Ltd	8092		10.26	0.07
Linefan Technology Holdings Ltd	8166	21.25		0.097
M Channel Corporation Ltd	8036	15.38		0.03
Prosten Technology Holdings Ltd	8026		15.25	0.10
Q9 Technology Holdings Ltd	8129	18.18		0.13
Recruit Holdings Ltd	8073	20.69		0.035
Thiz Technology Group Ltd	8119	50.00		0.033

News wise

- **Star Cruises Ltd (Code: 678)** announced a Loss Attributable to Shareholders of about \$US124.47 million (about \$HK973 million) for the Financial Year, ended December 31, 2003. This company engages in having its cruise ships ply the South-East Asian waters, mainly. The controlling interest in the shares of this company is owned by Singaporean nationals.

On The Tokyo Stock Exchange, the largest equity market of Asia, the Nikkei-225 Stock Average rose 148.27 yen, equivalent to about 1.38 percent, hitting 10,868.96 yen by the close of trading.

Tokyo had the distinction of being the biggest gainer in Asia, last Monday.

The ratio of gainers to losers was about 2.72:One.

This market was helped, greatly, by the fact that the US dollar-Japanese yen rate was standing at 108.25 yen, last Monday, up from the 3-year low, logged in earlier this month, at 105.15 yen.

The weaker yen, in terms of the US dollar, is good for Japanese exporters since it makes Japanese-manufactured products more competitive in Japan's largest single market.

News wise

- The **January 2004 trade surplus** for Japan grew by about 500 percent, Year-on-Year, The Finance Ministry reported. The merchandise trade surplus, that is, exports minus imports, came in at 507.10 billion yen. This compared with the figure of about 102.80 billion yen for January 2003; and,
- **Cats Incorporated**, the second-largest, pest-control company in Japan, filed for bankruptcy. The company had a Negative Net Worth of about 686 million yen, as at June 30, 2003, and had total liabilities of about 18.64 billion yen, as at December 31, 2003. The President and former President of Cats had been arrested, earlier this month, for, allegedly, jacking up the price of the shares of the company, going back to August 2000.

This was the way that other Asian equity markets closed their respective doors, last Monday night:

The HKSAR	Minus 0.75 percent to 13,765.07
Indonesia	Plus 0.64 percent to 794.47
Japan	Plus 1.38 percent to 10,868.96
Malaysia	Plus 0.36 percent to 861.72
The Philippines	Minus 0.37 percent to 1,482.57
Singapore	Minus 0.38 percent to 1,884.53
South Korea	Plus 0.00 percent to 877.52
Taiwan	Plus 0.01 percent to 6,665.89
Thailand	Minus 0.52 percent to 724.86

Tuesday

Dr Alan Greenspan, the Chairman of the US Federal Reserve Board, released some rather disturbing news, last Monday, Washington time, when he told a Conference of Credit Unions that the indebtedness of US households, today, was not less than \$US9 trillion.

As long as interest rates stay low, Dr Greenspan said, there was little concern.

However, the suggestion was clear: At some time, interest rates would start to move up from their present, 46-year lows.

Of that \$US9 trillion, \$US6.70 trillion was in mortgages, due to low interest rates, which have caused households to refinance their homes, allowing them to have a little extra cash for shopping in the supermarket and departmental store.

In the third quarter of 2003, it seems, US households expanded debt by an annualised amount of about 10 percent, the good doctor inserted.

On Wall Street, the news was digested with mixed emotions.

On The New York Stock Exchange, the Dow Jones Industrial Average fell about 0.09 percent, hitting 10,609.62 points when the hammer came down, signifying the end to trading for the day.

Over on the NASDAQ, its Composite Index shed a whole lot more: Down 1.49 percent to 2,007.52 points.

It was the fourth consecutive day of losses for the world's largest equity markets.
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