

## Securities Market in 2001

### LISTING

#### 1. Stocks

##### a) Listed Companies

At the end of 2001, a total of 584 listed companies had 592 common and preferred stocks and 22 certificates of entitlement to new shares from convertible bonds. The total year-end market capitalization was NT\$10,247.6 billion with 406.4 billion shares.

##### b) New Listed Companies

A total of 69 companies were newly listed in 2001, including 48 companies that transferred from the OTC market and four newly-created financial holding companies. These new listed companies accounted for an increase of 36.14 billion shares in the market.

##### c) New Shares Issued by Listed Companies

New offerings issued by listed companies in 2001 accounted for an increase of 36.02 billion shares.

##### d) Delistings & Suspensions

16 companies were delisted in 2001. As of the end of 2001, 7 companies were suspended from regular trading.

#### 2. Taiwan Depository Receipts (TDRs)

Only one new TDR was issued in 2001, which was by the Singaporean company, ASE Test Limited. At the end of 2001, a total of 2 TDRs were listed on the TSEC with 900 million units.

#### 3. Beneficiary Certificates

At the end of 2001, a total of 5 beneficiary certificates were listed with a face value of NT\$19.1 billion.

#### 4. Warrants

Eighteen securities firms issued 57 new warrants in 2001. 55 warrants expired during the year. A total of 1,067 million issuing units were listed at the end of the year.



#### 5. Bonds

##### a) Government Bonds

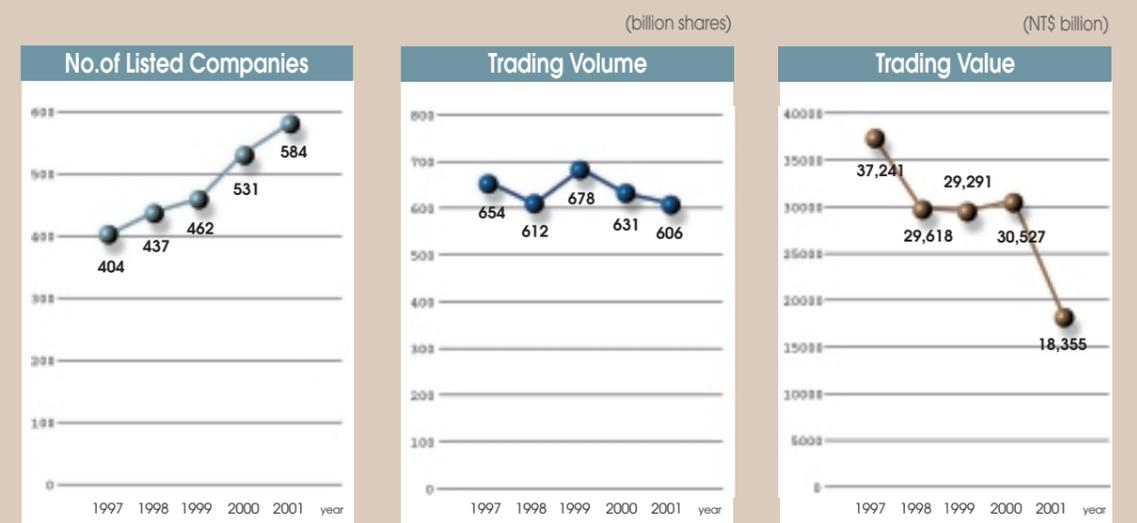
Eleven new government bonds were listed in 2001 with 3 delisted, which made an annual addition of NT\$381.6 billion in terms of the issued amount. A total of 65 government bonds were listed at the end of 2001 with an aggregate outstanding value of NT\$1,856.9 billion.

##### b) Corporate Bonds

Only one new convertible bond issue was listed in 2001 and 14 issues were delisted. The yearly decrease in corporate bonds amounted to NT\$21.3 billion. At the end of the year, a total of 43 convertible corporate bonds were listed with a total value of NT\$22.4 billion.

##### c) Foreign Bonds

At the end of the year, a total of 16 foreign bonds were listed at the end of 2001 with a total value of NT\$80.5 billion. One foreign bond was delisted during the year.





## TRADING

### 1. Stocks

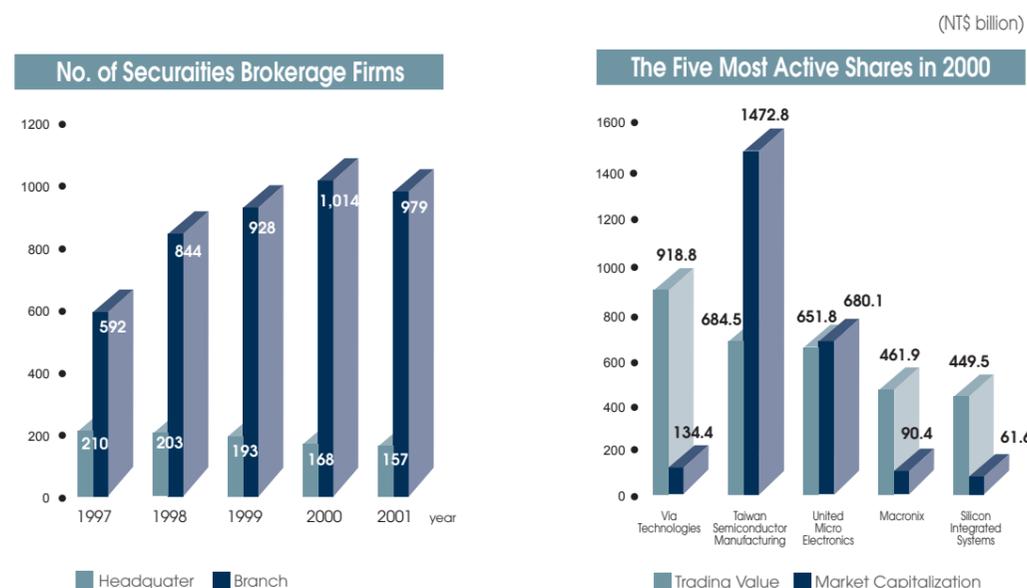
There were 244 trading days in 2001. The total value of shares traded on the TSE during the year was NT\$18,354.9 billion, a decrease of 39.87% from 2000. The total trading volume amounted to 606.4 billion shares, an annual decline of 3.9%. The highest daily average trading value of NT\$143.4 billion occurred in December, and the lowest one of NT\$38.5 billion in September. December 13 marked the highest record of a single-day trading value in 2001 at NT\$226.6 billion, and the lowest one was NT\$13.0 billion on September 21.

### 2. Taiwan Depository Receipts (TDRs)

The total value of TDRs traded in 2001 was NT\$8.7 billion and the volume turnover was 1,005 million units, a decline of 82.06% and 60.42%, respectively, compared to 2000.

### 3. Beneficiary Certificates

The total trading value of beneficiary certificate transactions totaled NT\$5.2 billion in 2001, an annual decrease of 81.48%, and the trading volume was 764 million units, down by 70.77% from a year earlier.



### 4. Warrants

The total trading value of call warrant transactions totaled NT\$28.4 billion in 2001, down by 82.47% from a year earlier, and the trading volume was 7,784 million units, an annual decrease of 32.38%.

### 5. Bonds

The total value of bonds traded in 2001 amounted to NT\$24 billion in 2001, down 53.10% from a year earlier.

Overall, the total trading value of stocks, TDRs, beneficiary certificates, warrants, and bonds amounted to NT\$18,421.3 billion in 2001, a decline of 40.22% compared to the previous year.

### PRICE MOVEMENT

The TAIEX started off 2001 on a positive note but then declined sharply amid deteriorating economic conditions before making a belated recovery by the end of the year. In the first quarter, the stock index rose from 2000's close of 4,739 to reach the year's highest point of 6,104 on February 15. In the January-March period, the market capitalization of listed companies reached NT\$10 trillion, while the daily average trading value exceeded NT\$100 billion. In the second quarter, the TAIEX began its precipitous decline, with total market capitalization falling below NT\$7 trillion and the daily average trading value dropping to less than NT\$50 billion. In the third quarter, the stock market plunged as Taiwan's already weak economic condition worsened in the wake of autumn's devastating typhoons and the September 11 terrorist attacks in the United States. On October 3, the TAIEX dropped to an annual low of 3,446, which was a stunning drop of 2,658 points, or 43.5%, from February's peak. In the fourth quarter, the stock market started to rebound as the economic recession began to bottom out, and also helped by the central bank's aggressive easing of monetary policy and a more stable political environment following the ruling DPP's strong showing in December's legislative election. On December 13, a total of 7,166 million shares, an historical record high, were traded at a value of NT\$226.6 billion, which was a record high for 2001. The TAIEX closed at 5,551 on December 31, a gain of 812 points, or 17.1%, compared to 2000's close. Comparing the price of individual stocks at the end of 2001 to the previous year-end, 238 rose, 266 fell, 5 were unchanged, and 105 were not available for comparison.



### SECURITIES FIRMS

At the end of 2001, 162 securities firms had signed contracts with TSEC to participate in the market. Among these, 83 were solely brokerage operations, while 53 ran a combination of brokerage, dealer and underwriter businesses, and 51 offered margin financing services. The total number of branch offices with brokerage operations in Taiwan numbered 979, with the majority of branches located in Taipei City, followed by Kaohsiung City, Taipei County, Taoyuan County, Taichung County and Tainan County. Meanwhile, there were 14 foreign securities firms with branch offices in Taiwan in 2001.

The top five local securities companies in 2001, in terms of market share, were Yuanta-Core Pacific (7.76%), Fubon (6.63%), Polaris (4.24%), Jihsun (3.97%), and MasterLink Securities (3.89%).