

Excerpt



Liongold was among the counters whose shares collapsed in 2013.

Dollar stocks built on penny towers in ruins

THEY started out as penny stocks, one small coin being stacked atop another, but at such a head-turning pace that in just months, many were dollar pieces balanced on towers of pennies.

Yesterday, those towers came crashing down. Singapore Exchange (SGX) undertook one of its most wide-ranging interventions in recent memory by querying six companies and swiftly suspending three of them within an hour.

One trader said: "What a crazy morning. The whole screen was red at one point."

The market opened yesterday with the six queried stocks – Asia-

sons Capital, Blumont Group, Innopac Holdings, ISDN Holdings, ISR Capital and LionGold Corp – falling sharply. They had a combined market capitalisation of \$10.3 billion as at Thursday's close; by the end of yesterday, their market value had more than halved to \$4.7 billion.

Just before SGX suspended their stocks, the market cap of Asiasons, Blumont and LionGold had fallen to \$4.1 billion from \$9.3 billion the night before.

SGX said of its move: "This is to safeguard the interests of the market, as there could be circumstances that would result in the market not being fully informed."

JANUARY 30 2013

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JUNE 21 2013

Haze may stretch, but Singapore won't fold: PM