

PHILLIP SECURITIES PTE LTD

Unit Trust Daily Market Update

For Internal Circulation

Hillary Ho Li Ling Liang Shibin
 +6565311792 +6565311516
hillaryho@phillip.com.sg liangsb@phillip.com.sg

Wednesday, 10th March, 2010

Market Summary

Headlines:

- **North America: Stocks Eke Out Gain; Citi Jumps, Cisco Skids.**
- **Europe: Banks, Miners Pressure Euro Shares.**
- **Asia: Asian Stocks Reverse Earlier Losses.**

US Economic Data to be released this week:

WEDNESDAY: Obama health-care speech; weekly mortgage apps; wholesale trade; state unemployment rates; Google hearing; weekly crude inventories; 10-year auction; earnings from American-Eagle Outfitters

THURSDAY: \$2B California bond sale; international trade; weekly jobless claims; 30-year auction; earnings from Nat Semi, Aeropostale

FRIDAY: Gov'ts retail-sales report; consumer sentiment; business inventories; earnings from Ann Taylor

Major Indices performance

Index	Last	Net Chg*	% Chg ^
Dow Jones	10,564.38	11.86	0.11%
S&P 500	1,140.45	1.95	0.17%
DJ Euro Stoxx 50 € Pr	2,880.71	1.42	0.05%
FTSE 100 Index	5,602.30	-4.42	-0.08%
Nikkei 225	10,567.65	-18.27	-0.17%
HSI	21,207.55	10.68	0.05%
Shanghai SE Composite	3,069.14	15.91	0.52%
FSSTI	2,839.54	4.97	0.18%

Source: Bloomberg

^Chg and Net Chg from the previous working day

Top 5 Daily Performing Funds

Fund Name	%
UOB United Fin Opportunities SGD(cld)	2.96
Fidelity Korea Fund Class A (USD)	2.23
UOB United Global Capital Fund	2.21
Fidelity European Growth A-EUR(CPF/SRS)	2.19
SUT- Global Tactical Fd	2.10

Source: www.eunitrust.com. Funds' performance as of 10th Mar 2010.

Market update

North America:

Stocks eked out a modest gain Tuesday as this one-year anniversary of the March 2009 lows brought a mix of profit-taking and optimism. The Dow Jones Industrial Average gained 11.86, or 0.1 percent, to close at 10,564.38. The S&P 500 added 0.2 percent, while the Nasdaq gained 0.4 percent. Traders had expected some profit-taking today — even on stocks with good news — given how far the market has come in a year. Since March 9, 2009, the Dow is up 59 percent, the S&P rose 67 percent and the NASDAQ gained more than 80 percent.

The Dow is now near the top of its recent range, 10,000 to 10,500, causing further concern that traders might take a breather. In today's market action, financials made a comeback, notably the ones bailed out by the government. Citigroup surged over 7 percent. AIG, Fannie Mae and Freddie Mac also rose sharply amid speculation that the government may be planning to restrict short sales on the companies it's bailed out and currently owns stock in. Plus, there's buzz that the government wants to sell its 27-percent stake in Citigroup, that Citi is floating a big preferred-stock offering tonight and that Barclays is shopping around for a U.S. bank. Options action on Citi was heavy.

Market update**North America Continues:**

Some interesting commentary out of the Fed on Tuesday: Chicago Fed President Charles Evans said policy makers may be coming to terms with higher unemployment in the future. Tuesday's three-year Treasury auction was met with decent demand: The high yield was 1.47 percent and the bid-to-cover ratio was 3.13. In Greece, Prime Minister George Papandreou is scheduled to meet President Barack Obama and he is likely to press the U.S. to regulate hedge fund which Greece says had an important role in its debt problems. Fitch issued a report about sovereign ratings in Europe in which it warned that Britain's credit profile has deteriorated, pushing the pound to a 1-week low against the dollar.

Volume was just shy of last year's daily average at 9.24 billion shares for the three major exchanges but a significant improvement from the past few weeks when daily trading was a good two billion below last year's average. Advancers outpaced decliners on the Big Board, roughly 4 to 3.

Europe:

European shares fell on Tuesday for the second consecutive session, with banking stocks down and miners lower as metal prices retreated on a firmer dollar, while defensive food producers and drugmakers gained. The pan-European FTSEurofirst 300 index of top shares closed down 0.1 percent at 1,052.55 points. The index has risen 63 percent since reaching a lifetime low in March 9 2009, but is little changed this year. Adding to the negative sentiment, Fitch Ratings said Britain's sovereign credit profile had deteriorated but the country was still within tolerance of a triple-A rating. The ratings agency said there would be concerns for Britain's ratings if there was no timely move on fiscal policy objectives.

Banks took the most points off the index. Miners slipped as metal prices retreated. Food producers and drugmakers were in demand as investors stuck to the safety of defensive stocks. Across Europe, the FTSE 100 index slipped 0.1 percent, while Germany's DAX and France's CAC 40 rose 0.2 percent.

Asia:

Asian stock markets reversed earlier losses, ending mixed on Tuesday. Japan's Nikkei 225 average finished 0.2 percent lower as investors sought to take profits after the benchmark index closed at a six-week high the day before, though positive sentiment from last week's U.S. jobs data lingered. The Nikkei shed 18.27 points to 10,567.65 after gaining more than 4 percent in the previous two trading days. The broader Topix fell 0.3 percent to 924.38.

Australian stocks finished 0.25 percent stronger on Tuesday, marking the 8th straight session of gains, after strong business confidence and job ads data encouraged investors that the recovery was on track. Stocks opened weaker on mild profit-taking and lower resources prices, but turned around after regional markets opened firm and job advertisements surged by the most in a decade, providing fresh signs of economic strength. A business sentiment survey also provided support for the market after showing improving sales and confidence in February, led by mining firms as the resources boom returned to full strength. The benchmark S&P/ASX 200 index ended up 12.2 points at 4,820.1, taking its gains over the past eight sessions to 4.9 percent. For the year, the index is down 1.0 percent.

In China, the Shanghai Composite Index ended slightly higher while Hong Kong's benchmark Hang Seng finished little changed. Markets in Singapore and Malaysia traded in opposite direction, with the STI up 0.2 percent while the KLCI dipped slightly.

Economic data to be announced

United States					
Date	Statistic	For	Survey	Actual	Prior
Mar 09	NFIB Small Business Optimism	Feb	---	88.0	89.3
Mar 09	IBD/TIPP Economic Optimism	Mar	---	45.4	46.8
Mar 10	ABC Consumer Confidence	Mar 8	-48	---	-49
Mar 10	MBA Mortgage Applications	Mar 6	---	---	14.6%
Mar 10	Wholesale Inventories	Jan	0.2%	---	-0.8%
Mar 11	Monthly Budget Statement	Feb	-\$210.0B	---	-\$42.6B
Mar 11	Trade Balance	Jan	-\$41.0B	---	-\$40.2B
Mar 11	Initial Jobless Claims	Mar 7	460K	---	469K
Mar 11	Continuing Claims	Feb 28	4495K	---	4500K
Mar 12	Advance Retail Sales	Feb	-0.2%	---	0.5%
Mar 12	Retail Sales Less Autos	Feb	0.0%	---	0.6%
Mar 12	Retail Sales Ex Auto & Gas	Feb	0.3%	---	0.6%
Mar 12	U. of Michigan Confidence	Mar	73.8	---	73.6
Mar 12	Business Inventories	Jan	0.2%	---	-0.2%

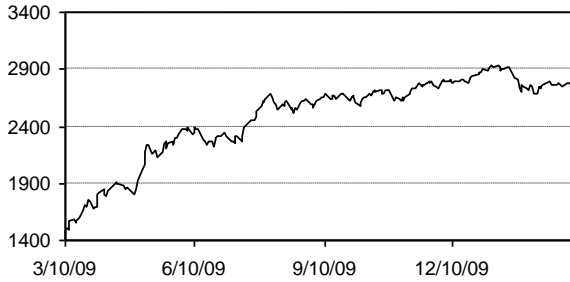
Source: Bloomberg

Singapore					
Date	Statistic	For	Survey	Actual	Prior
Mar 08	Foreign Reserves	Feb	---	\$187.80B	\$189.62B
Mar 12	Retail Sales (YoY)	Jan	---	---	-5.0%
Mar 12	Retail Sales (MoM)	Jan	---	---	-0.9%

Source: Bloomberg

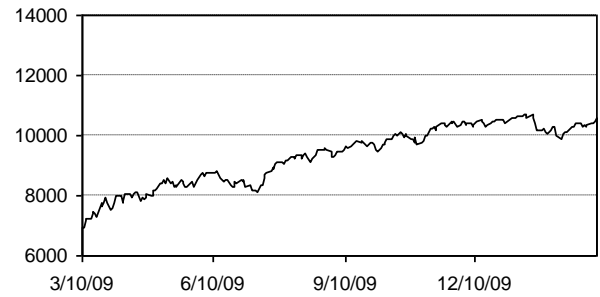
Key indices:

FSSTI 2839.54 +0.18%



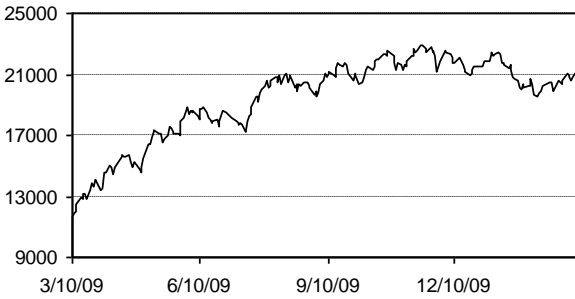
Source: Bloomberg

DJI 10564.38 +0.11%



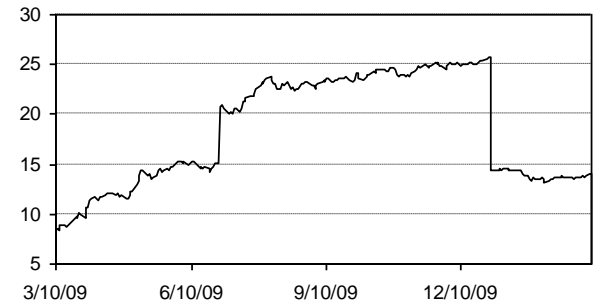
Source: Bloomberg

HSI 21207.55 +0.05%



Source: Bloomberg

FSSTI (P/E) 14.05



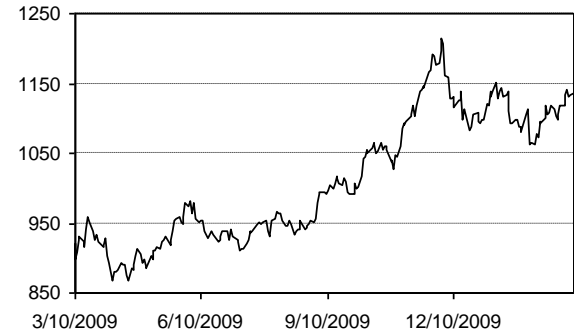
Source: Bloomberg

Dollar Index 80.59 +0.20%



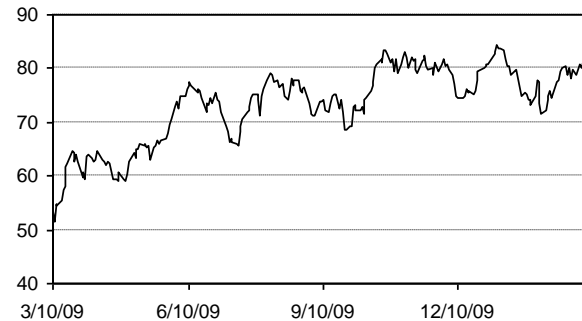
Source: Bloomberg

Gold 1121.85 +0.03%



Source: Bloomberg

Crude oil 81.49 -0.46%



Source: Bloomberg

BALTIC DRY 3210 -1.50%



Source: Bloomberg

General Disclaimer

This publication is prepared by Phillip Securities Research Pte Ltd ("Phillip Securities Research"). By receiving or reading this publication, you agree to be bound by the terms and limitations set out below.

This publication shall not be reproduced in whole or in part, distributed or published by you for any purpose. Phillip Securities Research shall not be liable for any direct or consequential loss arising from any use of material contained in this publication.

The information contained in this publication has been obtained from public sources which Phillip Securities Research has no reason to believe are unreliable and any analysis, forecasts, projections, expectations and opinions (collectively the "Research") contained in this publication are based on such information and are expressions of belief only. Phillip Securities Research has not verified this information and no representation or warranty, express or implied, is made that such information or Research is accurate, complete or verified or should be relied upon as such. Any such information or Research contained in this publication is subject to change, and Phillip Securities Research shall not have any responsibility to maintain the information or Research made available or to supply any corrections, updates or releases in connection therewith. In no event will Phillip Securities Research be liable for any special, indirect, incidental or consequential damages which may be incurred from the use of the information or Research made available, even if it has been advised of the possibility of such damages.

Any opinions, forecasts, assumptions, estimates, valuations and prices contained in this material are as of the date indicated and are subject to change at any time without prior notice.

Non-applicability of Section 27 of the Financial Advisers Act (Cap. 110) of Singapore and the MAS Notice on Recommendations on Investment Products

Section 27 of the Financial Advisers Act (Cap. 110) of Singapore and the MAS Notice on Recommendations on Investment Products (FAA-N01) do not apply in respect of this publication.

This material is intended for general circulation only and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. The products mentioned in this material may not be suitable for all investors and a person receiving or reading this material should seek advice from a financial adviser regarding the suitability of such products, taking into account the specific investment objectives, financial situation or particular needs of that person, before making a commitment to invest in any of such products.

This publication should not be relied upon as authoritative without further being subject to the recipient's own independent verification and exercise of judgment. The fact that this publication has been made available constitutes neither a recommendation to enter into a particular transaction nor a representation that any product described in this material is suitable or appropriate for the recipient. Recipients should be aware that many of the products which may be described in this publication involve significant risks and may not be suitable for all investors, and that any decision to enter into transactions involving such products should not be made unless all such risks are understood and an independent determination has been made that such transactions would be appropriate. Any discussion of the risks contained herein with respect to any product should not be considered to be a disclosure of all risks or a complete discussion of such risks.

Nothing in this report shall be construed to be an offer or solicitation for the purchase or sale of a security. Any decision to purchase securities mentioned in this research should take into account existing public information, including any registered prospectus in respect of such security.

Disclosure of Interest

Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, may provide an array of financial services to a large number of corporations in Singapore and worldwide, including but not limited to commercial / investment banking activities (including sponsorship, financial advisory or underwriting activities), corporate banking or securities trading activities. Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, may have participated in or invested in financing transactions with the issuer(s) of the securities mentioned in this publication, and may have performed services for or solicited business from such issuers. Additionally, Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, may have provided significant advice or investment services to such companies and investments or related investments as may be mentioned in this publication.

To the extent permitted by law, Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, may at any time engage in any of the above activities as set out above or otherwise hold a material interest in respect of companies and investments or related investments which may be mentioned in this publication. Accordingly, information may be available to Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, which is not reflected in this material, and Phillip Securities Research, or persons associated with or connected to Phillip Securities Research may, to the extent permitted by law, have acted upon or used the information prior to or immediately following its publication. Phillip Securities Research, or persons associated with or connected to Phillip Securities Research, may have issued other material that is inconsistent with, or reach different conclusions from, the contents of this material.

Availability

The information, tools and material presented herein are not directed, intended for distribution to or use by, any person or entity in any jurisdiction or country where such distribution, publication, availability or use would be contrary to the applicable law or regulation or which would subject Phillip Securities Research to any registration or licensing or other requirement, or penalty for contravention of such requirements within such jurisdiction.