

# PHILLIP SECURITIES PTE LTD

## Unit Trust Daily Market Update

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### Market Summary

#### Headlines:

- **North America: Stocks Snap Winning Streak; RIM Gains.**
- **Europe: Europe Stocks Halt Brisk One-Week Rally.**
- **Asia: Nikkei Closes Up 2.7%, Leads Asia Higher.**

#### US Economic Data to be released this week:

**THURSDAY:** Weekly jobless claims; 7-yr note auction; Microsoft analyst meeting; Earnings from: AstraZeneca, ExxonMobil, Royal Dutch Shell, Kellogg, Motorola and Amgen

**FRIDAY:** First release of 2Q GDP; employment cost index; Chicago PMI; consumer sentiment; Earnings from: Chevron and Merck

### Major Indices performance

Index	Last	Net Chg <sup>^</sup>	% Chg <sup>^</sup>
Dow Jones	10,497.88	-39.81	-0.38%
S&P500	1,106.13	-7.71	-0.69%
ESTX 50 € Pr	2,766.11	-3.20	-0.12%
FTSE 100 Index	5,319.68	-45.99	-0.86%
Nikkei 225	9,753.27	256.42	2.70%
HSI	21,091.18	117.79	0.56%
Shanghai SE Composite	2,633.66	58.30	2.26%
FSSTI	2,985.38	6.00	0.20%

Source: Bloomberg

<sup>^</sup>Chg and Net Chg from the previous working day

### Top 5 Daily Performing Funds

Fund Name	%
FTIF Franklin Biotech Discovery A(Acc)	2.44
DBS Global Property Securities Fund(US\$)	1.95
Fidelity America Fund Class A (USD)	1.66
Fidelity Emer Euro,Mid East, Africa(US\$)	1.62
Fidelity Global Focus Fund Class A (USD)	1.60

Source: www.eunitrust.com. Funds' performance as of 29<sup>th</sup> July 2010.

### Market update

#### North America:

Stocks snapped their four-day winning streak Wednesday after the Fed's latest "beige book" report pointed to a sluggish recovery and earnings from Boeing disappointed. The Dow Jones Industrial Average fell 39.81, or 0.4 percent, to close at 10,497.88, after logging four straight gains. The S&P 500 shed 0.7 percent but finished above the key 1,100 mark. The Nasdaq lost over 1 percent. The CBOE volatility index, widely considered the best gauge of fear in the market, was above 24 at the closing bell.

**Market update****North America Continues:**

With nearly half of the S&P 500 reporting earnings, 77 percent have beat expectations, according to Thomson Reuters. Oil prices fell to \$76.99 a barrel after a report showed a big rise in crude-oil inventories. Gold prices rose to \$1,160.40 an ounce, steadying after hitting three-month lows on Tuesday.

Volume was light with about 1 billion shares changing hands on the New York Stock Exchange. Decliners outpaced advancers, roughly 2 to 1.

**Europe:**

European stocks ended lower on Wednesday, halting a brisk one-week rally as an unexpected drop in U.S. durable goods orders revived worries on the economy and prompted investors to book some of their recent gains. The FTSEurofirst 300 index of top European shares unofficially closed 0.3 percent lower at 1,050.67 points, after rising by as much as 0.7 percent in early trade. The Euro STOXX 50, the euro zone's blue chip index, ended down 0.1 percent at 2,765.83 points after rising to as high as 2,791.24 points, where it ran into major resistance.

The STOXX Europe 600 banking index jumped 12 percent over the past six sessions as the vast majority of European banks passed stress tests and the new Basel III capital rules proved less stringent. Strong earnings from UBS on Tuesday had also boosted sentiment. The Thomson Reuters Peripheral Eurozone Countries Index was up 0.2 percent.

**Asia:**

Asian stocks traded higher in Asia on Wednesday, with Japan leading the gains. Japan's Nikkei average jumped 2.7 percent to its highest close and biggest one-day gain in two weeks, breaching several resistance levels on strong corporate earnings at home and abroad as well as a weaker yen. The benchmark Nikkei climbed 256.42 points to 9,753.27, its highest close since July 14. The broader Topix rose 2.3 percent to 865.51.

Australian stocks rose 0.7 percent, as banks and major miners followed Asian markets higher after a brief dip spurred by lower-than-expected June quarter inflation. The benchmark S&P/ASX 200 index gained 32.5 points to end at 4,529.9, in a fourth straight day of gains.

China's key stock index rose 2.3 percent on to its highest close in two months after the central bank said economic growth would slow but there would be no double-dip in the economy, bolstering sentiment. The Shanghai Composite Index ended the day at 2,633.7 points, recovering from a 0.5 percent drop on Tuesday and breaking through 2,600 points, a psychologically important level for investors, for the first time since the end of May. Hong Kong shares continued their upward trend for a seventh session, taking the benchmark Hang Seng Index past its 200-day moving average, a key resistance level. The index closed higher.

Source: Bloomberg, CNBC, Yahoo Finance

## Economic data to be announced

United States					
Date	Statistic	For	Survey	Actual	Prior
26 Jul	Chicago Fed Nat Activity Index	Jun	---	-0.63	0.21
26 Jul	New Home Sales	Jun	311K	330K	300K
26 Jul	New Home Sales MoM	Jun	3.7%	23.6%	-32.7%
26 Jul	Dallas Fed Maf. Activity	Jul	-2.5%	-21.0%	-4.0%
27 Jul	S&P/CaseShiller Home Price Ind	May	---	146.43	144.56
27 Jul	S&P/CS 20 City MoM% SA	May	0.15%	0.47%	0.44%
27 Jul	S&P/CS Composite-20 YoY	May	3.90%	4.61%	3.81%
27 Jul	Richmond Fed Manufact. Index	Jul	11	16	23
27 Jul	Consumer Confidence	Jul	51.0	50.4	52.9
28 Jul	ABC Consumer Confidence	Jul 25	-46	-48	-45
28 Jul	MBA Mortgage Applications	Jul 23	---	-4.4%	7.6%
28 Jul	Durable Goods Orders	Jun	1.0%	-1.0%	-1.1%
28 Jul	Durable Ex Transportation	Jun	0.4%	-0.6%	0.9%
29 Jul	Initial Jobless Claims	Jul 24	460K	---	464K
29 Jul	Continuing Claims	Jul 17	4500K	---	4487K
30 Jul	GDP QoQ (Annualised)	2Q A	2.5%	---	2.7%
30 Jul	Personal Consumption	2Q A	2.4%	---	3.0%
30 Jul	GDP Price Index	2Q A	1.1%	---	1.1%
30 Jul	Core PCE QoQ	2Q A	1.0%	---	0.7%
30 Jul	Employment Cost Index	2Q	0.5%	---	0.6%
30 Jul	Chicago Purchasing Manager	Jul	56.0	---	59.1
30 Jul	U. of Michigan Confidence	Jul F	67.0	---	66.5
30 Jul	NAPM-Milwaukee	Jul	57.0	---	59.0

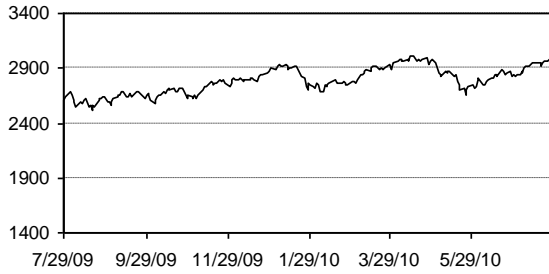
Source: Bloomberg

Singapore					
Date	Statistic	For	Survey	Actual	Prior
26 Jul	Industrial Production YoY	Jun	38.4%	44.5%	58.6%
26 Jul	Industrial Production MoM SA	Jun	-14.0%	-23.4%	5.2%
30 Jul	M1 Money Supply (YoY)	Jun	-14.0%	---	22.3%
30 Jul	M2 Money Supply (YoY)	Jun	---	---	9.0%
30 Jul	Bank Loans & Advances (YoY)	Jun	---	---	8.0%
30 Jul	Unemployment Rate (sa)	2Q	2.1%	---	2.2%

Source: Bloomberg

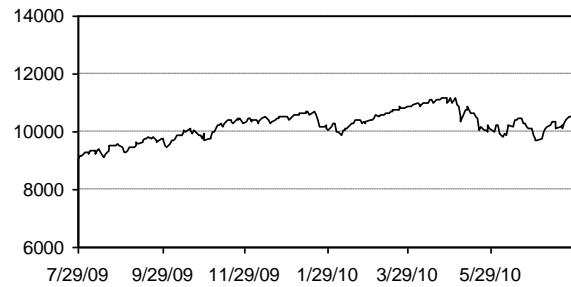
Key indices:

**FSSTI** 2985.38 +0.20%



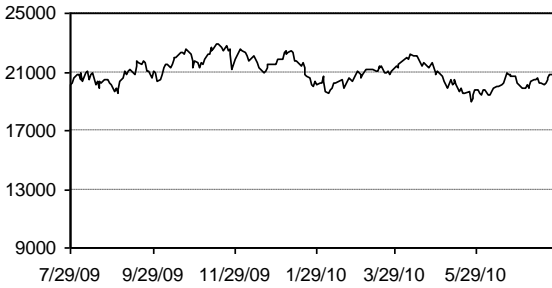
Source: Bloomberg

**DJI** 10497.88 -0.38%



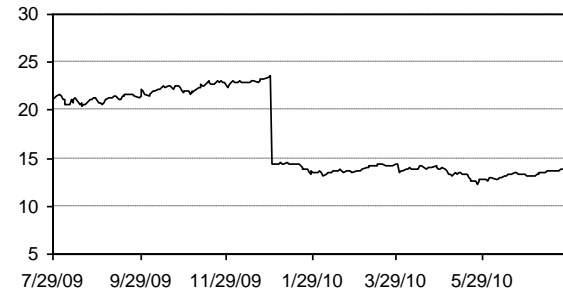
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**HSI** 21091.18 +0.56%



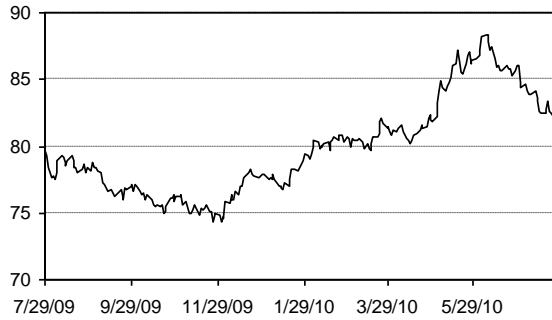
Source: Bloomberg

**FSSTI (P/E)** 13.94



Source: Bloomberg

**Dollar Index** 82.18 +0.03%



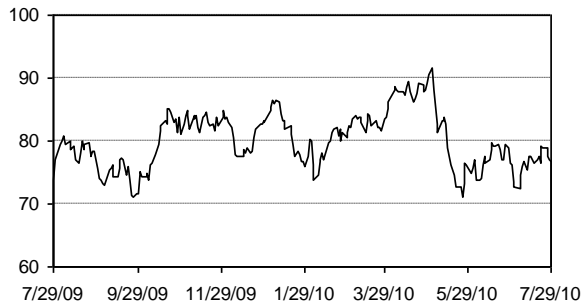
Source: Bloomberg

**Gold** 1163.60 +0.06%



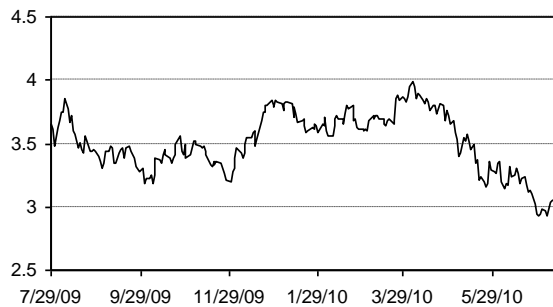
Source: Bloomberg

**Crude oil** 76.99 -0.21%



Source: Bloomberg

**US Treasury 10yr Yield** 2.985 -0.01%



Source: Bloomberg

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