

PHILLIP SECURITIES PTE LTD

Unit Trust Daily Market Update

For Internal Circulation

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Market Summary

Headlines:

- **North America: Dow Ends Above 10,000, but Down for Week**
- **Europe: European Shares Fall to 3-Month Low**
- **Asia: Asia Ends Sharply Lower, Near 5-Month Lows**

US Economic Data to be released this week:

MONDAY: Earnings from CVS Caremark and Hasbro

TUESDAY: Wholesale trade; 3-year note auction; Earnings from Coke, UBS, IAC, Pulte Homes and Disney; Mac World starts (through Sat)

WEDNESDAY: Weekly mortgage applications; trade balance; Google hearing; weekly crude inventories; Fed's Plosser speaks; 10-year auction; Earnings from NYT, Sprint Nextel, Boston Scientific and Prudential; Chicago auto show starts

THURSDAY: Retail sales; weekly jobless claims; 30-year auction; Earnings from Pepsi, Philip Morris, and Viacom; Fashion week starts; Miami boat show starts

FRIDAY: Consumer sentiment; Winter Olympics starts

Major Indices performance

Index	Last	Net Chg*	% Chg ^
Dow Jones	10,012.23	10.05	0.10%
S&P 500	1,066.19	3.08	0.29%
DJ Euro Stoxx 50 € Pr	2,631.64	-75.81	-2.80%
FTSE 100 Index	5,060.92	-78.39	-1.53%
Nikkei 225	10,057.09	-298.89	-2.89%
HSI	19,665.08	-676.56	-3.33%
Shanghai SE Composite	2,939.40	-55.91	-1.87%
FSSTI	2,683.56	-61.42	-2.24%

Source: Bloomberg

^Chg and Net Chg from the previous working day

Top 5 Daily Performing Funds

Fund Name	%
FTIF Templeton Korea Fund A (Acc)	3.46
DBS Shenton Greater China Fund	3.12
Henderson Hzn China Fund A2-USD	2.98
Henderson Hzn China Fund A2-SGD	2.86
LionGlobal India Fund	2.84

Source: www.eunitrust.com. Funds' performance as of 08nd Feb 2010.

Market update

North America:

The Dow pulled off a stunning comeback, finishing above the 10,000 mark after being down sharply for most of the day — even falling below 9,900 — amid worries about the recovery and Europe's debt woes. The Dow Jones Industrial Average finished up 10.05, or 0.1 percent, to close at 10,012.23. Though, it ended down about half a percent for the week, marking the fourth straight decline, in which it lost nearly 6 percent.

The dollar surged to its highest since May against the euro, sending both oil and gold lower. Oil dropped to around \$70 a barrel before settling at \$71.19, and gold hit a three-month low around \$1,043 an ounce, before settling at \$1,052.80.

Market update**North America Continues:**

The jobs report showed employers cut 20,000 jobs from nonfarm payrolls in January, while the unemployment rate fell to 9.7 percent. Economists had actually been expecting payrolls to increase by 5,000 last month and for the unemployment rate to tick up to 10.1 percent. In addition to the unexpected job loss for January, the prior five months through December were revised to show an additional 245,000 jobs were lost than previously thought, but economists said take it in stride. Construction, transportation and warehousing continued to report job losses, while temporary employment and retail actually added jobs. In the day's other economic news, consumer credit fell for an 11th straight month in December, but the decline was much less than expected. The CBOE volatility index, the market's fear gauge, spiked above 29 before settling back down around 26 amid a fresh debate about whether or not the market is entering a correction.

Volume was heavy today, with 12.44 billion shares traded on the NYSE, ASE and Nasdaq. Decliners outpaced advancers, roughly 17 to 13.

Europe:

European shares fell for a third day on Friday, and notched up their worst weekly performance in 11 months, with banks extending recent declines, on intensified worries about euro zone sovereign debt. The pan-European FTSEurofirst 300 index of top shares fell 1.9 percent to end provisionally at 974.39 points, the lowest close since early November of last year. Over the week, the index fell 3.7 percent, its worst weekly performance since last March. It is down 9.3 percent from the 15-month high it hit on Jan 11.

European policymakers scrambled on Friday to reassure markets on the stability of their 16-nation currency bloc as investors shed euro assets for a second day on fears about debt-laden member states like Greece and Portugal. U.S. payrolls unexpectedly fell in January, but the unemployment rate surprisingly dropped to a five-month low, according to a government report that suggested the labor market was still improving slowly.

Asia:

Asian stocks fell to near five-month lows on Friday as investors dumped riskier assets after rising sovereign debt problems in the euro zone and poor jobs data sent U.S. and European stocks tumbling.

Japan's Nikkei 225 Average fell almost 3 percent to a two-month closing low on Friday as risk aversion rose on growing sovereign debt problems in Europe, although Toyota shares managed to find a floor despite mounting recall woes. The benchmark Nikkei shed 2.9 percent to 10,057.09, a fall of 298.89 points, after earlier falling as low as 10,036.33. Analysts said support was likely around 9,900 -- about where the Nikkei's 200-day moving average comes in. It lost 1.4 percent on the week.

Australian shares fell 2.3 percent on Friday to a three-month low after investors dumped riskier assets on European sovereign debt fears and poor U.S. jobs data. The benchmark S&P/ASX 200 index fell for the fourth straight week, its worst run since mid-2008. It has fallen 8.9 percent in the last four weeks but traders said they saw value in stocks and a rebound was due next week. The benchmark fell 107.30 points to 4,514.30, its biggest one-day slump in two months. At one point, it touched its lowest level since early September.

The Shanghai Composite Index ended at 2,939.402 points, posting a 1.7 percent loss for the week and its third weekly fall in a row. The market has been weighed down by worries about credit tightening and heavy share supplies, fuelled by steady approvals of new initial public offerings. Hong Kong shares retreated to their lowest in five months at midday, with Europe-focused retailer Esprit Holdings and Europe's biggest bank HSBC sharply lower. The benchmark Hang Seng Index fell 3.3 percent to 19,665.08, the lowest since Sept. 3, 2009.

Southeast Asia markets tracked the regional decline, with the Straits Times Index shedding 2.2 percent and the KL Composite losing 2.4 percent.

Economic data to be announced

United States					
Date	Statistic	For	Survey	Actual	Prior
Feb 09	NFIB Small Business Optimism	Jan	---	---	88.0
Feb 09	Wholesale Inventories	Dec	0.5%	---	1.5%
Feb 09	IBD/TIPP Economic Optimism	Feb	---	---	48.8
Feb 10	ABC Consumer Confidence	Feb 8	---	---	-49
Feb 10	MBA Mortgage Applications	Feb 6	---	---	21.0%
Feb 10	Trade Balance	Feb	-\$35.5B	---	-\$36.4B
Feb 11	Monthly Budget Statement	Jan	-\$50.0B	---	-\$63.5B
Feb 11	Advance Retail Sales	Jan	0.3%	---	-0.3%
Feb 11	Retail Sales Less Autos	Jan	0.5%	---	-0.2%
Feb 11	Retails Sales Ex Auto & Gas	Jan	0.5%	---	-0.3%
Feb 11	Initial Jobless Claims	Feb 7	465K	---	480K
Feb 11	Continuing Claims	Jan 31	4590K	---	4602K
Feb 11	Business Inventories	Dec	0.3%	---	0.4%
Feb 12	U. of Michigan Confidence	Feb	75.0	---	74.4

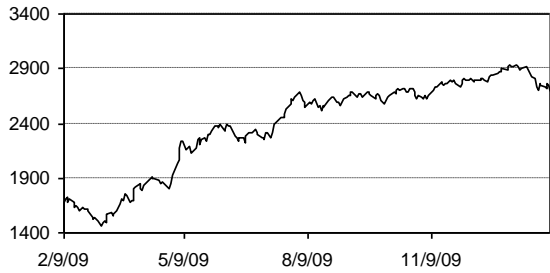
Source: Bloomberg

Singapore					
Date	Statistic	For	Survey	Actual	Prior
Feb 08	Foreign Reserves	Jan	---	---	\$187.81B
Feb 15	Retail Sales (YoY)	Dec	---	---	-1.4%
Feb 15	Retail Sales (MoM)	Dec	---	---	1.2%

Source: Bloomberg

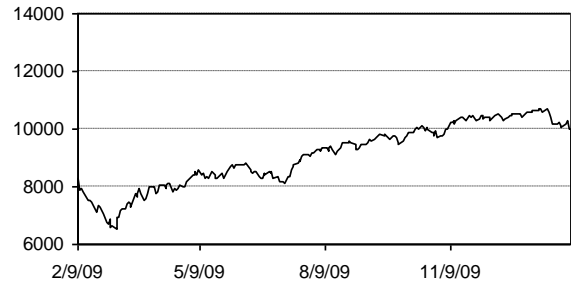
Key indices:

FSSTI 2683.56 -2.24%



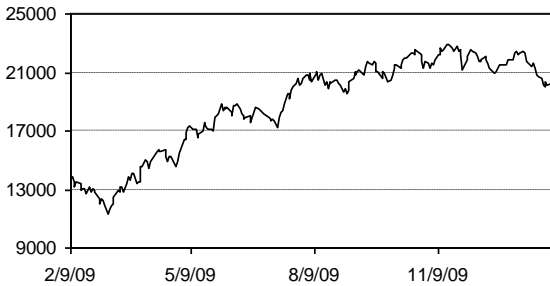
Source: Bloomberg

DJI 10012.23 +0.10%



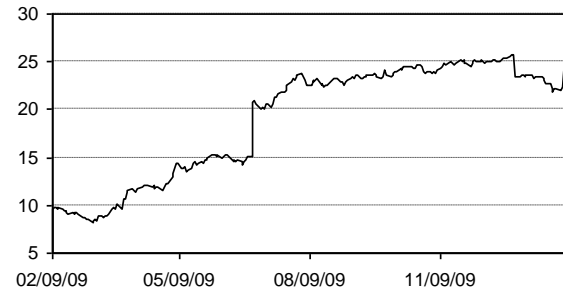
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HSI 19665.08 -3.33%



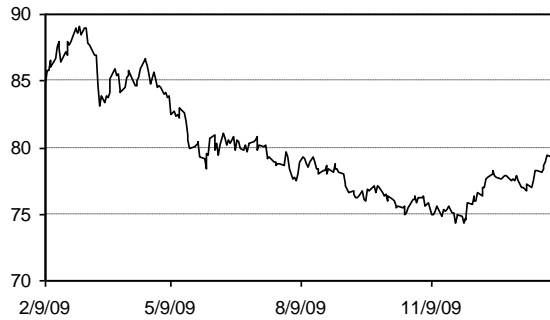
Source: Bloomberg

FSSTI (P/E) 21.67



Source: Bloomberg

Dollar Index 80.44 +0.56%



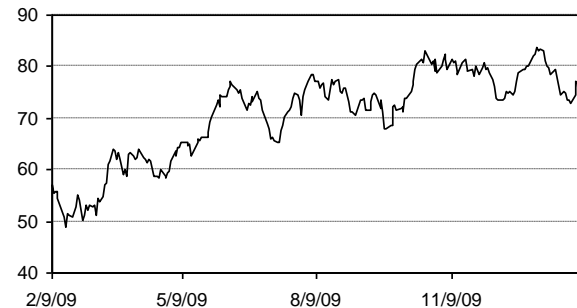
Source: Bloomberg

Gold 1066.30 +0.32%



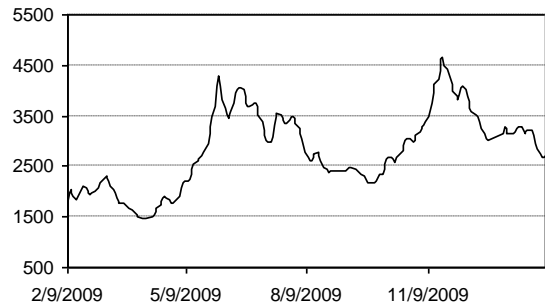
Source: Bloomberg

Crude oil 71.19 -2.67%



Source: Bloomberg

BALTIC DRY 2715 +1.12%



Source: Bloomberg

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