



27th Apr - 1st May 09

Overview

With the rise in last week, Asian indices marked a bull rally for 7 out of 8 weeks and marking the peak so far in the last four months. The optimism this week came from the positive earning figures coming from the companies lifting the investor confidence in the economies recovery. For the first time since Jan 7, the MSCI Asia Pacific Index added 1.6 percent this week to 90.91. Swine Flu that has reached 11 countries so far shrugged off the markets and urged the WHO (World Health Organization) to push the six tier alert to 5, that is one level below Pandemic. The Chrysler Bankruptcy could hamper the market confidence as well.

Corporate News

- Japans President Osamu Masako believes they may have started to see the bottom with a couple of good news flowing from the economy. Japan Export volumes rising 1.5% in march, first time in the last 8 months, and forecasting more production gains in the coming two months. Automobile companies like Honda and Mitsubishi Motors also surprised the markets by reporting better than expected earnings and beating the analysts forecasts.
- A survey conducted by Hewitt Associates show, 60% of the Indian companies are still hiring and that the salary increase expected this year will be 8.2%. though this disappoints Indians to an extent who has seen a growth of around 15 - 20% annually, it is still a boon to get these raises in an economic slowdown situation and where the growth predicted elsewhere (U.S., Europe and Japan) is negative.
- 9.7% of the Chinese companies has made Green Environment requirements mandatory, where the minimum requirement is 35.3% leading china to stay behind other Asia Pacific countries.
- ZTE, Chinese cell phone maker ranking 6th in the world is trying to transform the company into Mainland's most successful consumer focused multinational. The company was able to overcome the economic crisis and still finds its way to be the world 6th cell phone maker, beginning from nowhere.

Asian Currencies

Korean Won and Malaysian rupiah were able to keep the overall Asian currencies rally up, also supported by the signs of easing recession. The Bloomberg-JP Morgan Asia Dollar Index, marked the peak in four months with the third weekly positive rally. A regional economist at Macquaire believes, the worst is probably over and anticipates a better economic outcome. All the Asian currencies are growing stronger.

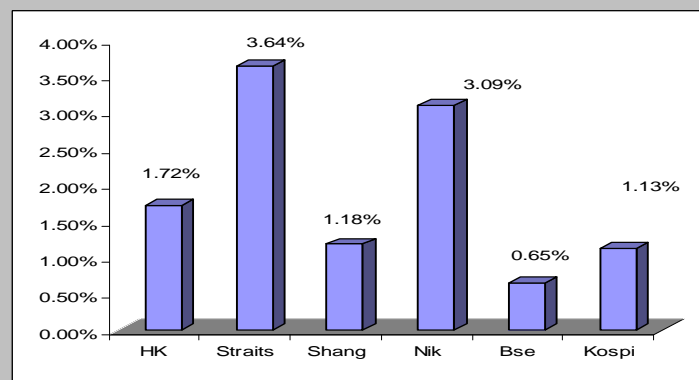
Commodities

Improving consumer confidence pushed oil prices to mark its five weeks high and close at \$53.2 on Friday. Oil companies were able to dispose its stockpiles and steadying production in oil compared to plunging production last year. Oil rose 4.1% revealing the boost in confidence ever since the collapse in credit markets last year. Gold posted its biggest weekly decline to close at \$886.55 an ounce as investor demand shifts from the precious metal as an alternative investment to equities.

Indices

Index	Last	WOW ch %	YTD ch %
HK	15,521	1.72%	-32.77%
Straits	1920.28	3.64%	-36.85%
Shang	2477.57	1.18%	-30.13%
Nik	8977.37	3.09%	-29.12%
Bse	11403.25	0.65%	-29.77%
Kospi	1369.36	1.13%	-19.64%

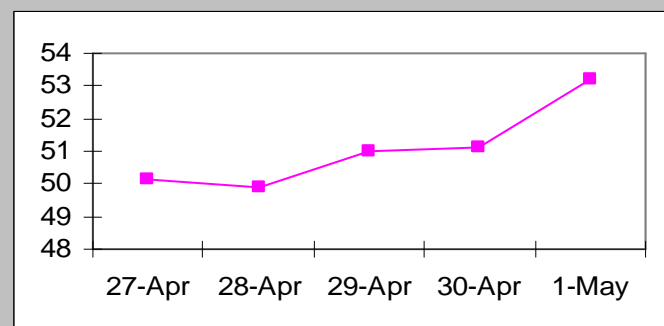
Market movement WOW



Currencies

Currency	Last	%YTD	%WOW
SGD	1.48	(3.47)	0.59
HKD	7.75	-	(0.00)
KRW	1,283.00	(1.83)	4.68
INR	50.09	(2.58)	0.50
JPY	99.12	(8.55)	(1.96)
MYR	3.5615	(2.6394)	0.5826

Crude Oil





Markets this week

Singapore

Singapore shares closed at 1920 on Thursday and rose 3.64% from its previous weeks close. The markets remained close on Friday on account of Labor day.

Swine Flu, has added a new dimension to Singapore’s economic growth which was believed to have seen its worst in the first quarter. The Singapore National Employers Federation has advised the companies to take measures to ensure the continuity of business even if the Flu hits the country. Some companies already have plans and initiated measures to keep the disease at bay. Most Companies are yet to implement measures like temperature checks, seen at the peak of the SARS outbreak. SBF plans to hold a briefing on the swine flu outbreak and business continuity management for its members early next month.

Singapore Manufacturing firms are less pessimistic to the economic slowdown compared what they were 3 months ago. Electronics business is expected to see slight improvements, but transport engineering and biochemical manufacturing outlook remain sluggish.

The Singapore manufacturer’s federation and SPRINGS organized a program to guide the employers to invest in green business practices to cut down waste and carbon emissions. Food manufacturers like Prima and Gardenia Foods are participating in the program, which is expected to help about 60 companies generate a value-add of S\$180 million over the next five years.

China

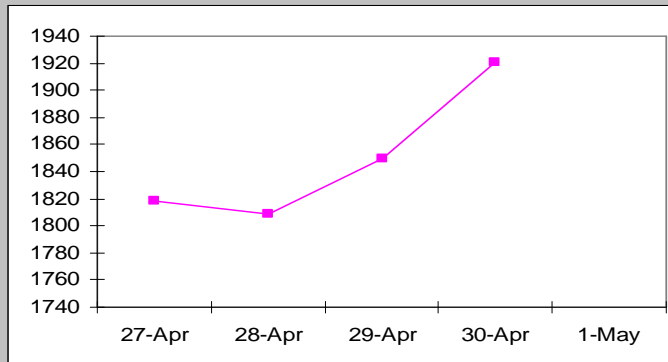
The Shanghai Composite rose 1.18% to close at 2477 on Thursday, Friday being a market holiday for Labor’s day.

China Mobile Plans to buy 12% stake amounting to \$529 million in Far Eas Tone, the top telecom company of Taiwan, this being the first direct investment by china ever since the split in 1949. The deal was announced after the Chinese government gave a green signal for its home companies to invest directly into Taiwan believing that Taiwan is a part of its territory needing reunification. Analysts welcomed the deal and expected banks and airlines to be the next in the list of Chinese investments, also warming the cross- strait ties. This will help both the countries weather the global crisis.

Bank of Communications plans to expand its insurance and securities business in the mainland of china as the earnings slowed due to global crisis. BOC has submitted an application to the government to expand business in insurance and plans to buy a stake in China-life CMG insurance company, which is a joint venture of China life insurance and Common Wealth Bank of Australia.

In an expansion plan of BHP bilton, dam mine in Australia would lead to a lift in uranium oxide output by exporting to new countries like china. The national government of Australia is also encouraging more uranium mining and courting new export business in China. The expansion could cost as much as \$20 billion.

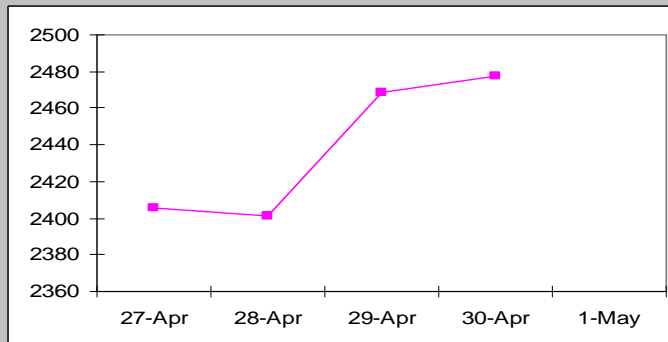
Singapore



Most Active Counters

Security	% chg WOW	Price
JARDINE MATHESON	13.27	22.70
CITY DEVELOPS	11.15	6.48
OLAM INTERNATIONAL	8.59	1.77
JARDINE STRAT	7.86	11.80
JARDINE CYCLE &	7.37	14.28

China



Most Active Counters

Security	% chg WOW	Price
SHANG PHARM-A	29.54	12.98
NANJING CHEM-A	22.92	5.90
SHANGHAI INDUS-A	22.33	19.50
WUZHOU MINOVO-A	20.95	8.95
SILVERTIE HOLDIN	20.85	9.91



India

The Bombay Stock Index rose 0.65% on a weekly basis to close at 11403.25 on Wednesday being last closing day. Markets remained closed on Thursday 30th April for voting and Friday 1st May being Maharashtra day.

Economist forecasts, Indian economy would start recovering by mid year led by revival signs boosting investor confidence. Though the uncertainty about the unstable ruling coalition post general elections might disturb the momentum, economist expect an upturn in industrial activity by June 2009. The central bank estimates the economy grew by 6.5 to 6.7 per cent in the fiscal year to March 2009 and sees 5.7% this year due to weak global demand. the government has unveiled three stimulus schemes involving tax and duty cuts, infrastructure spending and other steps besides the rate cuts.

Bharti Airtel posted 21% growth in quarterly profit. The company has been aggressively expanding in the rural areas increasing 8.4 million customers in this quarter marking its highest ever additions on quarterly basis. This has inched up its market share to 24% from 23.7% last year. Due to new service providers entering Indian markets the competition has become more intense in the telecom industry.

ICIC home expects small growth figures this fiscal and estimates to report 5-10% increase in the mortgage business in March 2010. The market has become all the more tough mainly due to the falling property values.

DLF, India's largest listed real estate, posted a 93% slump in its quarterly profits led by reduced sales as prices tumbled. The company has initiated exit in its non core business and assets and is looking out for buyers for its wind power business.

Korea

Kospi index gained 1.13 last week to close at 1369.36 on Friday. Markets remained close on Friday for Labor's day.

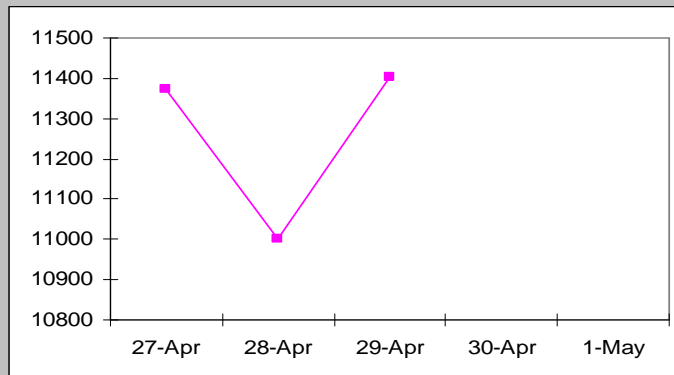
South Korea hope, the worst may be over and rose its outlook to its previous crisis level, due to massive government spending and unprecedented rate cuts.

Heavy borrowing, liabilities related to derivatives products surged the Debt to equity ratio for the top south Korean business groups to its highest in six years in 2008. Translation losses on foreign debt led to the sharp rise in debt. the companies had secured more cash through borrowing or bond issues to improve liquidity in the midst of a global credit squeeze and deepening economic uncertainty. Total debt at the 48 business groups came to 691.9 trillion won at the end of last year, compared with their cash holdings of 62 trillion won.

South Korea's export earnings per day rose for the third. Exports fell 19% in April compared to 35% in the previous year.

Banking sector leader expects a rebound in margins in the month ahead after the combined net profit margin fell by 75%. KB Financial, reported a higher-than-expected quarterly profit on Thursday as it beat its own target for loans growth, but results were dented by losses from its stake in a Kazakh bank.

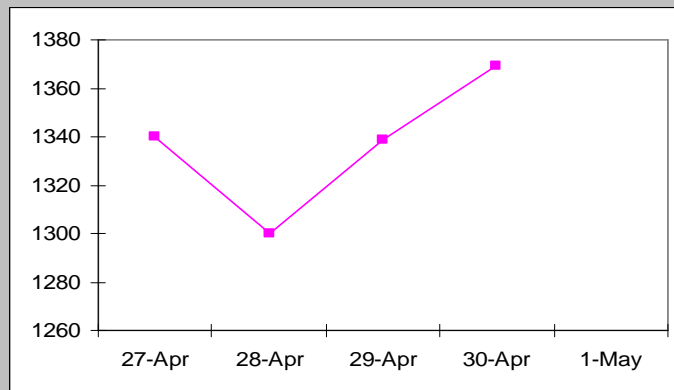
India



Most Active Counters

Security	% chg WOW	Price
JAIPRAKASH ASSOC	22.45	138.80
ICICI BANK LTD	19.38	477.75
WIPRO LTD	17.34	330.50
TATA CONSULTANCY	14.78	623.20
MAHINDRA & MAHIN	14.59	486.25

Korea



Most Active Counters

Security	% chg WOW	Price
KRW		
KOREA PETRO	27.78	41,400.00
SUNGSHIN CEMENT	22.06	8,300.00
GREEN CROSS CORP	18.50	102,500.00
PACIFIC CORP	16.10	119,000.00
DAEHAN FLOUR	14.47	130,500.00



Japan

Japanese stocks advanced 3.09% to close at 8977.37 on Friday.

Chrysler bankruptcy would have an impact on the Japanese automobile parts suppliers like Toyota and Honda motors who supplies parts to the American auto industries.

Sumitomo Mitsui Financial Group, Japan's third-largest bank by assets, plans to buy Citigroup's Japanese brokerage and part of its investment banking business.

Mitsubishi UFJ Financial Group expect to report annual net loss this year. Japanese banks are forced to raise billions of fresh capital as they have shouldered massive losses amid global financial crisis. The bank's capital is stronger than other Japanese banks, but when compared with the big global players, its presence is still weak. Japan's big banks are seeking more revenue streams abroad, with SMFG saying it will ally with Citigroup to win more business in brokering deals and in sales and trading.

For major companies in Japan, the pre tax profit dropped 52% and sales 5%. Auto makers and Electronics which has a stronger presence in US and Europe got the biggest hit. Non manufacturers such as power utilities and telecommunication companies saw a 3% surge in pretax profits on the back of steady domestic demand.

Japan shared the concerns of world powers over Iran's controversial nuclear program and urged the Islamic republic to take "positive" steps towards resolving the dispute. Iranian counterpart Manouchehr Mottaki believes Iran's nuclear programme is legal and peaceful. It should be looked at in the same way as Japan's nuclear activity is looked at. The government of Obama is seriously pursuing dialgue with Iran and Iran without wasting time must take steps in this direction

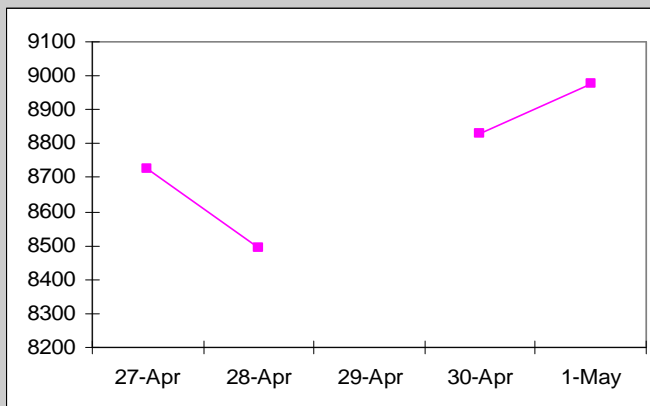
Hong Kong

Hong Kong rose 1.72% and closed at 15520.99 on Thursday, markets being closed on Friday on account of Labor's day.

The first confirmed case of swine flu was diagnosed in Hong Kong. A tourist from Mexico who visited Hong Kong. Officials ordered a weeklong quarantine of the Metropark Hotel where the 25-year-old man stayed. The patient took taxis from Hong Kong's airport to his hotel and from the hotel to the hospital, but did not venture out otherwise. The two others who were traveling with the Mexican and a friend he came into contact with during his stay have also been isolated in a hospital but have not shown symptoms of illness. Asia reported no new confirmed cases of swine flu on Sunday, indicating the virus's spread may be slowing, but 350 people remained under quarantine in a downtown Hong Kong hotel as a precaution. The Hong Kong government has stationed social workers inside the hotel to counsel guests and put psychologists on standby and is trying to cater to different dietary preferences by providing halal and vegetarian meals. Experts said Sunday it may be too soon to determine how widely the disease has spread.

Hong Kong was criticized for delaying quarantine measures during the SARS outbreak, giving that virus time to spread.

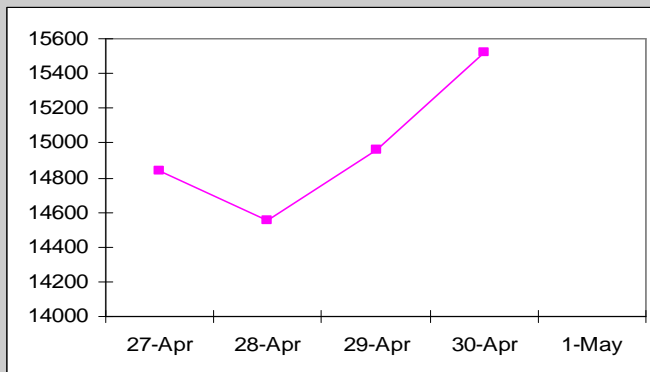
Japan



Most Active Counters

Security	% chg WOW	Price
SUMITOMO MITSUI	18.11	3,490.00
JTEKT CORP	17.44	983.00
UNITIKA LTD	17.28	95.00
FUJITSU LTD	16.98	496.00
SOJITZ CORP	16.67	168.00

Hong Kong



Most Active Counters

Security	% chg WOW	Price
FOXCONN INTL HLD	13.38	4.83
LI & FUNG LTD	10.89	22.00
WHARF HLDG	9.11	25.75
NEW WORLD DEV	7.10	10.26
TENCENT HOLDINGS	6.65	69.00


Financial summary for stock that announced results
Singapore (SGD mn)

Security	Sector	Price	NI 08	Q1 09	EPS	Book Value	P/BV 08	P/E 08
SINGAP TELECOMM	Communications	2.56	3960.2		0.249	1.203	2.13	11.2
DBS GROUP HLDGS	Financial	9.5	1929		1.26	13.057	0.73	8.4
UNITED OVERSEAS	Financial	11.5	1937		1.25	9.468	1.21	9.22
WILMAR INTERNATI	Consumer, Non-cyclical	3.58	1530.99		0.24	1.504	1.6	10.07
SINGAPORE AIRLIN	Consumer, Cyclical	10.7	2049.4		1.685	11.35	0.94	8.2
JARDINE MATHESON	Diversified	22.7	666		1.89	28.15	0.81	#N/A N/A
JARDINE STRAT	Diversified	11.8	692		1.12	8.879	1.33	#N/A N/A
CAPITALAND LTD	Financial	2.76	1,260	42.8530	0.37	2.982	0.93	8.9
SINGAP TECH ENG	Industrial	2.57	473.636		0.158	0.527	4.88	16.22
KEPPEL CORP LTD	Diversified	5.98	1097.971	285.292	0.69	3.05	1.96	8.5

China (CNYmn)

PETROCHINA CO	Energy	11.57	114431	18956	0.63	4.321	4.321	18.66
IND & COMM BK -A	Financial	4.09	110841	35153	0.33	1.804	1.804	12.45
CHINA CONST BA-A	Financial	4.41	92599	26256	0.4	1.994	1.994	11.16
BANK OF CHINA-A	Financial	3.5	64360		0.25	1.829	1.829	13.46
CHINA PETROLEUM	Energy	9.76	29769		0.34	3.791	3.791	28.04
CHINA LIFE INS-A	Financial	23.64	21277		0.75	6.391	6.391	31.52
CHINA SHENHUA -A	Energy	24.73	26641		1.339	7.413	7.413	18.47
BANK OF COMMUN-A	Financial	6.78	28,393	7935	0.58	3.055	3.055	11.69
PING AN INSURA-A	Financial	39.7	268	1986	0.04	11.294	11.294	992.5
CHINA MERCH BK-A	Financial	15.5	21,077		1.43	5.407	5.407	10.82
CITIC SECURITI-A	Financial	24.25	7,305	1504.41	1.1	8.328	8.328	22.05

India (INRmn)

Security	Sector	Price	NI 08	NI 09	EPS	Book Value	P/BV 08	P/E 08
RELIANCE INDS	Energy	1802.7	195678.3		134.612	588.247	3.06	13.39
NTPC LIMITED	Utilities	190.15	74699		9.059	64.111	2.97	20.99
OIL & NATURAL GA	Energy	865.5	198722.6		92.91	365.083	2.37	9.32
BHARTI AIRTEL LT	Communications	749.3	63953.89		41.401	114.168	6.56	18.1
INFOSYS TECH LTD	Technology	1507.3	46590	59880	104.596	318.663	4.73	14.41
STATE BANK IND	Financial	1277.7	89606.13		159.085	969.743	1.32	8.03
BHARAT HEAVY ELE	Industrial	1651.75	28593.4	30390	62.1	220.097	7.5	26.6
ITC LTD	Consumer, Non-cyclical	189.1	31577.6		8.389	32.606	5.8	22.54
HINDUSTAN UNILEV	Consumer, Non-cyclical	234.55			8.686	6.926	33.86	27
TATA CONSULTANCY	Technology	623.2	50260.2	52564.2	53.713	159.41	3.91	11.6

Korea (KRW mn)

Security	Sector	Price	NI 08	Q1 09	EPS	Book Value	P/BV 08	P/E 08
SAMSUNG ELECTRON	Technology	592000	5525905	619200	37684	456516.8	1.3	15.71
POSCO	Basic Materials	397000	4446934	324516	58905	362853.4	1.09	6.74
KOREA ELEC POWER	Utilities	28000	-2952469	-882245	-4742	65750.81	0.43	
SK TELECOM	Communications	183500	1277658	316748	17559	148014.8	1.24	10.45



HYUNDAI HEAVY	Industrial	230000	2256665		37340	93357.18	2.46	6.16
KT&G CORP	Consumer, Non-cyclical	70600	894290.3	256546	6872	27504.76	2.57	10.27
KT CORP	Communications	37450	449810	139569	2217	43714.58	0.86	16.89
SHINHAN FINANCIA	Financial	31700	2020398		4470	43221.66	0.73	7.09
LG ELECTRONICS	Industrial	106000	482786	-197600	2992	58427.37	1.81	35.43

Japan (JPY mn)

Security	Sector	Price	NI 08	NI 09	EPS	Book Value	P/BV 08	P/E 08
TOYOTA MOTOR	Consumer, Cyclical	3900	1,717,879		540.65	3804.081	1.03	9.7
NIPPON TELEGRAPH	Communications	3670	635,156		461.073	5667.703	0.65	5.93
NTT DOCOMO INC	Communications	135300	491,202	471,873	11171.58	103965.6	1.3	12.13
MITSUBISHI UFJ F	Financial	533	636,624		61	663.785	0.8	11.95
TOKYO ELEC PWR	Utilities	2325	(150,108)	(84,518)	-62.65	1763.315	1.32	NA
HONDA MOTOR CO	Consumer, Cyclical	2855	600,039	137,005	75.5	2208.348	1.29	37.81
CANON INC	Technology	3130	309,148		246.21	2154.571	1.45	12.73
TAKEDA PHARMACEU	Consumer, Non-cyclical	3500	355,454		418.97	2636.95	1.33	13.99
PANASONIC CORP	Consumer, Cyclical	1411	281,877		132.9	1776.829	0.79	9.71
SUMITOMO MITSUI	Financial	3490	461,536		592.982	4056.984	0.86	7.32

Hongkong (HKD mn)

Security	Sector	Price	NI 08	Q1 09	EPS	Book Value	P/BV 08	P/E 08
PETROCHINA CO-H	Energy	6.86	114431	18,956	0.63	4.32	1.40	9.74
CHINA MOBILE	Communications	67.30	112,793	25,201	5.63	22.05	2.69	10.52
IND & COMM BK -H	Financial	4.46	110841	35,153	0.33	1.80	2.18	11.95
CHINA CONST BA-H	Financial	4.52	92599	26,256	0.40	1.99	2.00	10.07
BANK OF CHINA-H	Financial	2.90	64360	18,570	0.25	1.83	1.40	9.82
HSBC HLDGS PLC	Financial	54.75	5728		0.44	7.16	0.99	15.73
CHINA PETROLEU-H	Energy	6.08	29769		0.34	3.79	1.41	15.38
CHINA LIFE-H	Financial	27.35	21277		0.75	6.39	3.77	32.10
CHINA SHENHUA -H	Energy	21.75	26641		1.34	7.41	2.58	14.30
CNOOC LTD	Energy	8.69	44375.25		0.99	3.59	2.13	7.65

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Sources: Bloomberg, Reuters, JP Morgan, Noor Investments, Yahoo Finance, CNN, Business Week.