North Korea's nuclear programme and the long war in insurgency-riven Afghanistan head a daunting list of challenges facing new US President Barack Obama across Asia, analysts and policy-makers say.

North Korea particularly will stretch Obama's commitment in his inauguration speech to "work tirelessly to lessen the nuclear threat," just as it has tested previous US leaders.

The secretive communist state conducted its first nuclear weapons test in October 2006, but four months later signed a disarmament deal with the United States and four regional powers.

Under the latest phase of the pact it is disabling the plants which produced weapons-grade plutonium in return for badly needed energy aid.

But it is unclear whether it will honour the final phase -- handing over atomic weapons and material in return for diplomatic relations with Washington and a permanent peace pact on the Korean peninsula.

Three days before the inauguration Pyongyang staked out a tough position, saying it might keep its bombs even after normalising ties as long as what it calls a US nuclear threat remains.

"North Korea is saying through these statements to Obama, 'Hey, look! We're here with nuclear weapons in hand. Don't look at Iran or elsewhere but at us first,'" Yang Moo-Jin of the University of North Korean Studies told AFP.

Paik Hak-Soon, of the Sejong Institute think-tank, told Yonhap news agency the statement was "a message from North Korea to Obama that North Korea wants a package deal and a more intense interest from the new US president."

Hidenori Ijiri, professor of international relations at Tokyo University, said it was "unclear which direction the Obama administration will move forward in its policy", adding China-Taiwan relations would also be a prickly issue.
The direction of the "war on terror" launched by Obama's predecessor George W. Bush was the pressing issue in South Asia, analysts there said, two months after attacks in the Indian city of Mumbai saw gunmen kill 165 people.

Obama is likely to change the US approach to terrorism to improve Washington's image abroad, said political analyst Mutahir Syed, international relations professor at Karachi University in Pakistan.

"Obama secured votes for change. His inaugural speech showed he wants to present a soft image of the United States, therefore a change in strategy is possible."

John Harrison, a security analyst at Singapore's Nanyang Technological University, said it will be worth watching how Obama deals with India.

US policy on South Asia is "intensely focused on Pakistan" but at the same time its relations with India are also warming, he said.

"In the near term, that dual relationship will create a great deal of tension. How he manages that will have broader implications not only on Asia but the war on terror," he said, also identifying relations with China as vital.

Naresh Chandra, a former Indian ambassador to Washington, said Bush was "exceptional" when it came to India, but that the real test for Obama would be tackling terrorism originating in Afghanistan.

"During his campaign Obama was aggressive on how he would deal with terrorism, that he would take meaningful action on Afghanistan. And in his inauguration speech, he opened a window for talks with Muslims.

"So he has a tough stance on terror, but he has also indicated that he will not go out on a limb."

However, deploying more international troops against Taliban insurgents in Afghanistan was not the answer, one Australian analyst said.

"What's being said increasingly loudly by many of the countries involved in Afghanistan is that the question is no longer one of military capacity but one of competent and clean administration," said analyst Damien Kingsbury.

"It's not just a question of soldiers and guns," the Deakin University Asia-Pacific expert told AFP. "It's a question of the government being seen to be doing a good job on behalf of the Afghan people.

"If it doesn't, then the Taliban continues to represent a distinct alternative."