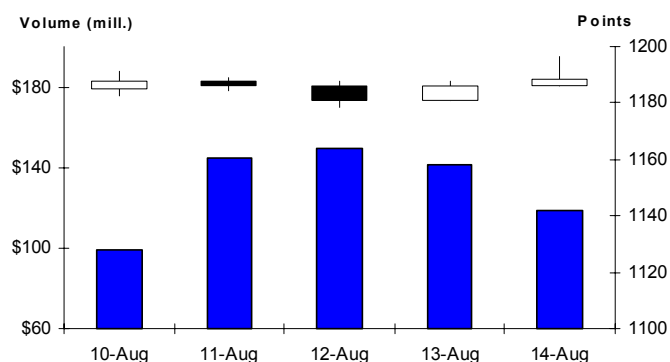


### WEEKLY CLOSING IN MAJOR MARKET INDICES

	7-Aug	14-Aug	%wow	%ytd
KL Composite	1,184.88	1,188.57	0.3	35.6
Dow Jones	9,370.07	9,321.40	-0.5	6.2
Nikkei 225	10,412.09	10,597.33	1.8	19.6
DAX Index	5,458.96	5,309.11	-2.7	10.4
UK FTSE100	4,731.56	4,713.97	-0.4	6.3
AUS ORD 30	4,303.10	4,465.10	3.8	22.0
STI Index	2,549.35	2,631.51	3.2	49.4
Hang Seng	20,375.37	20,893.33	2.5	45.2
SSE Index	3,260.69	3,046.97	-6.6	67.3

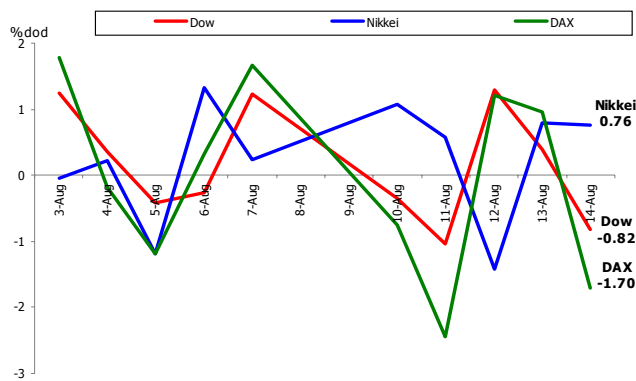
Source: Bloomberg, Bursa Malaysia

### KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

### MAJOR STOCK INDICES (DAILY % CHANGE)

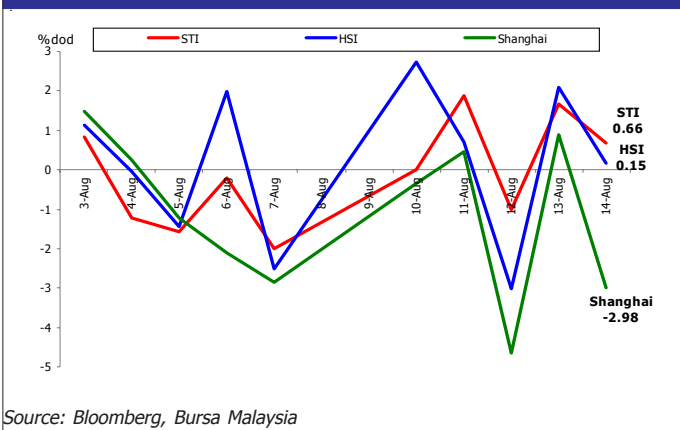


Source: Bloomberg, Bursa Malaysia

### STOCK MARKET HIGHLIGHTS

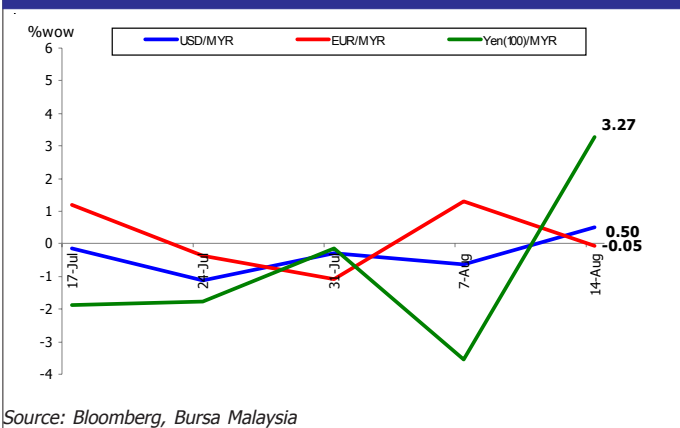
- U.S. stocks fell for the first time in five weeks as an unexpected drop in consumer confidence fueled concern the steepest rally since the 1930s isn't justified by economic prospects.** Best Buy Co. sank the most in two months, losing 8.3%, after Goldman Sachs Group Inc. said increased competition may hurt profits at the world's largest electronics retailer. Morgan Stanley and Bank of New York Mellon Corp. declined at least 4.5% after analyst said financial companies' earnings won't improve in the second half of the year. J.C. Penny Co. and Sara Lee Corp. slid more than 9% as their earnings forecasts trailed estimates. For the week, the Dow Jones Industrial Average dropped 48.67 points, or 0.5% to 9,321.4.
- U.K. stocks fell, pushing the benchmark FTSE 100 Index to a weekly loss,** after a decline in US consumer confidence added to concern that a five-month rally has outpaced the prospects for an economic recovery. HSBC Holdings Plc, Europe's largest bank, and Vodafone group Plc, the world's biggest mobile-phone company, led losses. British Land Co. jumped 3.9% following a newspaper report that the owner of London's Broadgate office complex may attract a takeover offer from a group of overseas investors. The FTSE 100 dropped 41.49 or 0.9% to 4,713.97 on Friday, giving it a loss of 0.4%.
- German stocks declined as Volkswagen AG retreated after the carmaker agreed merger terms with Porsche SE** and as a report showed US consumer sentiment unexpectedly decline this month. Volkswagen AG sank 16% as the company said it will pay 3.3 billion euros for a 42% stake in Porsche's automotive unit. ThyssenKrupp AG, Germany's biggest steelmaker, added 2.1% after reporting a loss, excluding inventory write downs and reorganization costs, which was narrower than analysts' estimated. The benchmark DAX Index fell 1.7% to 5,309.11 on Friday, the first decline in three days.
- Japanese stocks rose, capping a fifth weekly gain, as commodities companies and machinery makers advanced on higher metal prices and speculation Chinese demand will boost earnings.** Mitsubishi Corp., a trading company that gets more than a third sales from commodities, added 3.3% after a top-ranked analyst at Goldman Sachs Group Inc. said a recovery in steel production made trading companies more attractive. Komatsu Ltd. the world's no. 2 maker of earthmoving equipment, and Hitachi Construction Machinery

## REGIONAL STOCK INDICES (DAILY % CHANGE)



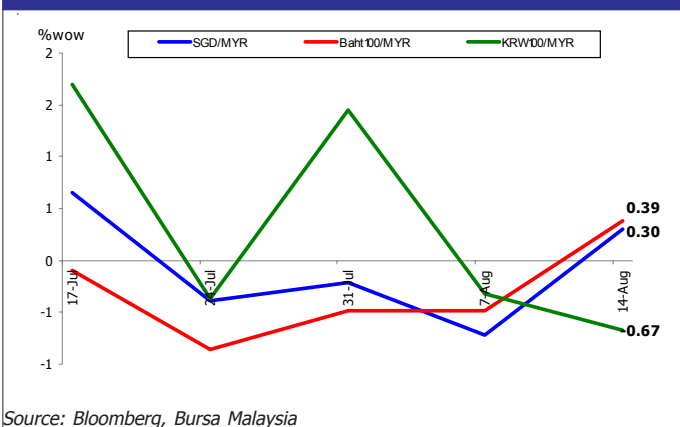
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



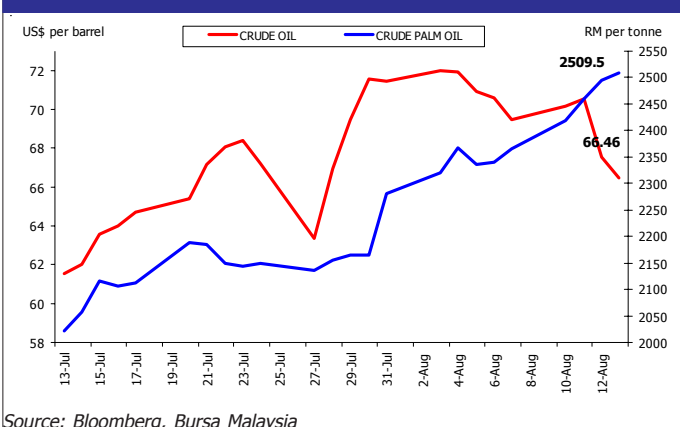
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

## CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

Co., a smaller rival, gained more than 5.0% after analysts said demand is picking up in China. The Nikkei 225 Stock Average added 80.14, or 0.8%, to close at 10,597.33. For the week, the benchmark advanced 1.8% for a fifth week of gains, the longest streak since the five weeks ended April 10.

- Hong Kong's benchmark stock index rose, reversing losses in the final minutes of trading, as Esprit Holdings Ltd. extended gains after Swatch Group AG reported profit that beat analysts' estimates.** Esprit, the clothing retailer that makes 85% of its sales in Europe, surged 8.1%. Li Fung Ltd., the biggest supplier of clothes and toys to Wal-Mart Stores Inc., rallied 9.2% after reporting better-than-estimated profit. Shares declined earlier after Hong Kong's richest man said the global economy hasn't yet reached a turning point and on concern this year's rally can't justify earnings prospects. The Hang Seng Index added 0.2% to close at 20,893.33, reversing a drop of as much as 1.1%. The gauge has added 2.5% last week after shedding 1.0% in the five days through August 7.
- China's benchmark stock index fell to the lowest in more than six weeks, completing the worst week since February, on concern this year's rally has overvalued the prospects for earning growth.** Industrial & Commercial Bank of China Ltd., the nation's biggest listed lender, sank 3.2%. PetroChina Co., no. 1 in the world by market value, dropped 2.1%, losing 7.1% in its worst week since December. China Merchants Bank Co. slid 2.4% after saying its board approved a plan to sell 18 billion yuan (US\$2.6 billion) of shares to boost capital. The Shanghai Composite Index, tracking the bigger of China's exchanges, slumped 93.59, or 3.0% to 3,046.97 at the close, the lowest since July 1. It slid 6.6% last week, the most since the five days ended February 27.
- Malaysia's FTSE Bursa Malaysia KLCI Index rose 2.38, or 0.2%, to close at 1,188.57, the highest level since June 27, 2008.** Fourteen stocks gained and 11 fell on the 30-member gauge. The measure advanced 0.3% last week, the fifth weekly increase. IOI Corp., Malaysia's second biggest palm oil planter, climbed 1.9% to RM5.35, the highest level since August 4, 2008. Kuala Kepong Bhd rose 2.8% to RM13.98 and Sime Darby Bhd. Added 1.2% to RM8.42, the highest since July 11, 2008. Palm-oil futures in Malaysia rose 5.7% last week, a third weekly gain, set for the longest winning streak since May 8.

## ECONOMIC HIGHLIGHTS

- **US wholesale inventories fell in June** for a tenth straight month as a gain in sales helped distributors move out more of their excess supply. The 1.7% m-o-m decrease in stockpiles followed a 1.2% drop in May. Inventories have the longest series of declines since 1987. Sales rose 0.4%, the same in May.
- **The US trade deficit widened less than forecast in June**, reflecting a second consecutive gain in exports spurred by a pick-up in economies around the world. The gap increased 4.0% m-o-m to US\$27 billion from US\$26 billion in May. Exports gained 2.0%, helped by stronger demand for goods such as semiconductors and aircraft engines, while imports rose 2.3%, led by a higher cost for oil.
- **US retail sales fell in July**, raising the risk that a lack of consumer spending will temper a recovery from the worst recession since the 1930s. Purchases decreased 0.1% m-o-m, the first drop in three months, as shrinking demand at department stores overshadowed a boost from the cash-for-clunkers automobile incentive program.
- **US inventories fell in June** for a tenth straight month as companies tried to cope with an almost year-long slump in sales. The 1.1% m-o-m decline brought the value of stockpiles down to US\$1.35 trillion, the lowest level in three years. Sales rose for the first time since July 2008. Total sales increased 0.9% in June following no change in the prior month. They were down 18% from June 2008. It would take 1.38 months to deplete stockpiles at the current sales pace, the lowest level since October, compared with 1.41 months in May.
- **US consumer prices was unchanged in July**, and dropped by the most since 1950 from a year ago, as the recession sapped companies' pricing power. The flat reading matched economists' forecast and followed a 0.7% m-o-m increase in June. Excluding food and energy costs, the so-called core index rose 0.1%. Compared with a year earlier, consumer prices were down 2.1%.
- **US industrial production rose for the first time in nine months in July** as a federal "cash-for-clunkers" program spurred demand for cars and automakers completed mid-year overhauls of their factories. The 0.5% m-o-m increase in output at manufacturers, mines and utilities was more than consensus forecast and followed a 0.4% drop in June. Capacity utilization, the proportion of factory volume in use, rose from its lowest level since 1967.
- **The US sentiment index fell in August** for a second consecutive month as concerns over jobs and wages grew. The Reuters/University of Michigan preliminary index of consumer sentiment decreased to 63.2, the lowest level since March, from 66 in July. The measure reached a three-decade low of 55.3 in November.
- **The US Federal Reserve held the key interest rates at a record low range of zero to 0.25%** but delivered cautiously optimistic assessment of prospects by saying that economic activity appears to be "leveling out". The US central bank also announced that it was extending a programme to buy US\$300 billion worth of longer-term government securities until October.
- **Eurozone industrial production declined in June**, suggesting the region's economy may struggle to emerge from the recession. Output in the 16-nation area dropped 0.6% m-o-m from May, led by a 4.2% decline in production of durable consumer goods. From a year earlier, June output fell 17%.
- **The Eurozone economy barely contracted in the second quarter** as Germany and France unexpectedly returned to growth, suggesting Europe's worst recession since World War II is coming to an end. Gross domestic product fell 0.1% from the first quarter, when it plunged 2.5%, the most since the euro-area data were first compiled in 1995. Eurozone GDP has declined for five straight quarters, the longest contraction since the data series started 14 years ago. From a year earlier, the euro-area economy shrank 4.6% in the second quarter, after a 4.9% contraction in the first three months of the year.
- **Eurozone consumer prices dropped in July** as energy costs decreased and rising unemployment prompted households to cut spending. Prices fell by a record 0.7% from the year-earlier month after declining 0.1% in June. In the month, prices declined 0.7%.
- **Japan's current-account surplus widened for the first time since February 2008** as export declines moderated amid a rebound in the global economy. The surplus widened to 1.153 trillion yen (US\$11.8 billion) in June from a year earlier. Exports fell 37% y-o-y in June and imports slid 43.8%. The current account tracks the flow of goods, services and investment income between Japan and its trading partners.
- **Japan's machinery orders rose for the first time in four months in June**, the latest signs that the nation's worst postwar recession is easing. Orders climbed 9.7% from May, more than the 2.6% expected by economists.
- **Japan's wholesale prices plunged at the fastest pace on record in July**, fanning concern that deflation could overshadow a recovery in the economy. The prices of goods traded between companies tumbled by 8.5% y-o-y in July. It was the seventh straight month of year-on-year

declines, and followed a fall of 6.7% in June. The drop, the sharpest since comparable data became available in 1960, was mainly caused by declines in energy costs.

- **Japan's corporate bankruptcies climbed in July**, signaling that businesses continue to struggle to get funding amid the deepest postwar recession. Bankruptcies climbed 1.02% in July from a year earlier to 1,386 cases.
- **Japan's merchant sentiment rose to a 22-month high in July**, adding to signs that the economy is heading for a recovery. The Economy Watchers index, a survey of barbers, taxi and drivers and others who deal with consumers, climbed to 42.4 from 42.2 in June, a seventh monthly increase.
- **Bank of Japan kept interest rates at 0.1% on August 11, 09**. It said conditions in Japan's economy had stopped worsening but that employment would stay high and consumer spending low. The bank also said that consumer prices were still falling.
- **Japan's demand for services rose in June** as government stimulus measures spurred consumer spending, another sign that the economy is emerging from a recession. The tertiary index, which captures 63% of the economy, climbed 0.1% from May, when it slid 0.3%.
- **Japan's economy grew in 2Q09**, the first time in five quarters as a revival in exports and consumer spending helped the country climb out of its worst postwar recession. Gross domestic product expanded at an annual 3.7% pace in the three months ended June 30, following an 11.7% decline in the previous quarter. From the previous quarter, the world's second-largest economy grew 0.9%.
- **Malaysia's industrial production index fell by the least in seven months in June** as a nine-month slump in exports eased. Production at factories, utilities and mines dropped 9.6% from a year earlier, after decreasing a revised 11.3% in May. Manufacturing output shrank 13.1% in June, the smallest drop in seven months. Mining slid 3.4%, while electricity production gained 2.5%, the first increase since September. Overall industrial production contracted 12.7% in the first half of the year.

## UPCOMING RELEASE (17 - 21 AUGUST 2009)

### US

- August NAHB Housing Market Index by National Association of Home Builders Market Index on August 17, 2009.
- July Producer Price Index (PPI) by Processing Stage Finished Goods by Bureau of Labor Statistics on August 18, 2009.

- July Housing Starts by Department of Commerce on August 18, 2009.
- July Building Permits by Department of Commerce on August 18, 2009.
- July Leading Indicators by Conference Board on August 20, 2009.
- July Existing Home Sales by National Association of Realtors on August 21, 2009.

### Eurozone

- June Trade Balance by Eurostat on August 17, 2009.
- August ZEW Euro-zone Expectation of Economic Growth by ZEW Zentrum fuer Europaeische on August 18, 2009.
- June Current Account by European Central Bank (ECB) on August 19, 2009.
- June Construction Output by Eurostat on August 19, 2009.
- August Composite PMI Output by NTC Research on August 21, 2009.

### Japan

- 2Q 2009 Gross Domestic Product (GDP) by Economic & Social Research Institute (ESRI) on August 16, 2009.
- June Leading Economic Index by Economic and Social Research Institution (ESRI) on August 18, 2009.
- June All Industrial Activity Index by Ministry of Economy, Trade & Industry (Japan) on August 18, 2009.

### Malaysia

- June Manufacturing Sales of Products by Department of Statistics Malaysia (DOSM) on August 18, 2009.
- July Consumer Price Index (CPI) by Department of Statistics Malaysia (DOSM) on August 19, 2009.
- Foreign Reserves as at August 15, 2009 by Bank Negara Malaysia (BNM) on August 20, 2009.