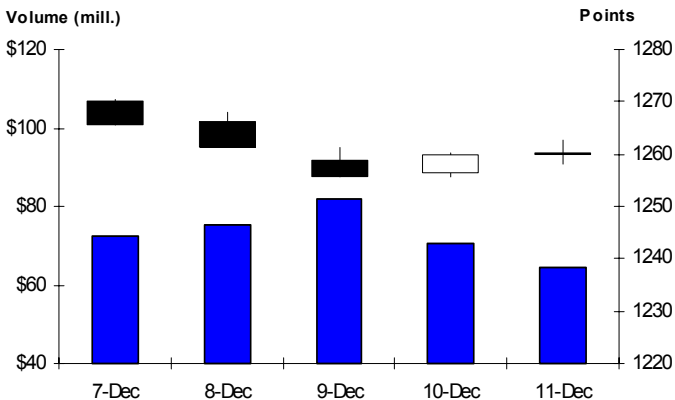


WEEKLY CLOSING IN MAJOR MARKET INDICES

	4-Dec	11-Dec	%wow	%ytd
KL Composite	1,270.20	1,260.00	-0.8	43.7
Dow Jones	10,388.90	10,471.50	0.8	19.3
Nikkei 225	10,022.59	10,107.87	0.9	14.1
DAX Index	5,817.65	5,756.29	-1.1	19.7
UK FTSE100	5,322.36	5,261.57	-1.1	18.7
AUS ORD 30	4,721.20	4,651.40	-1.5	27.1
STI Index	2,791.01	2,800.75	0.3	59.0
Hang Seng	22,498.15	21,902.11	-2.6	52.2
SSE Index	3,317.04	3,247.32	-2.1	78.3

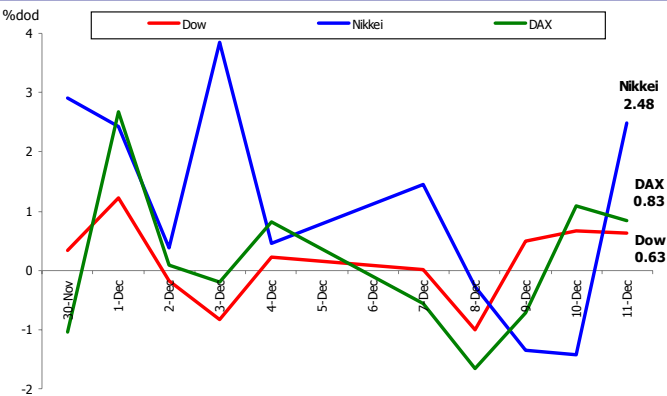
Source: Bloomberg, Bursa Malaysia

KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

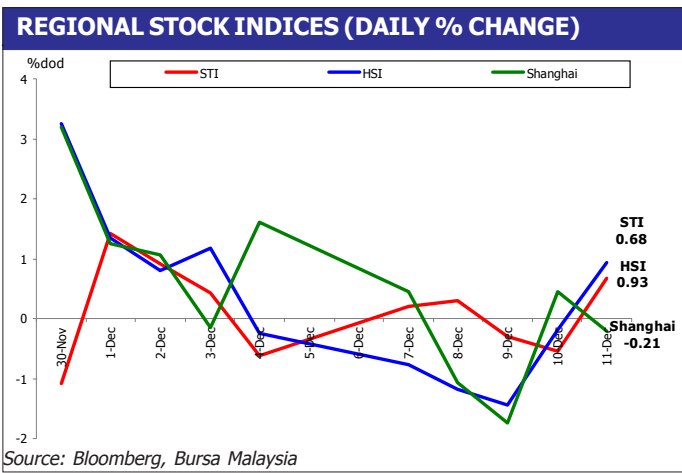
MAJOR STOCK INDICES (DAILY % CHANGE)



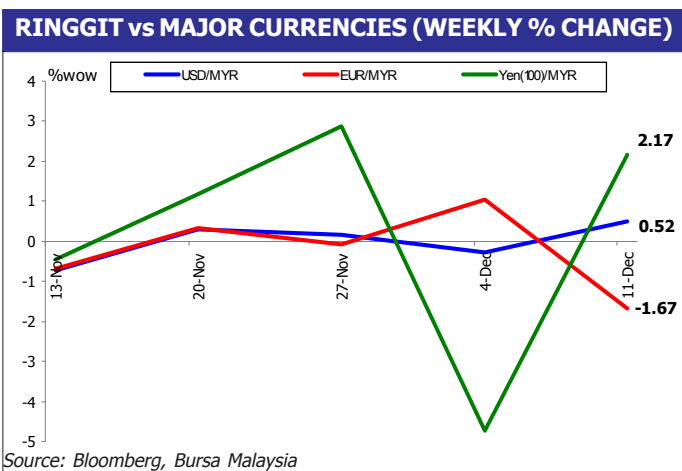
Source: Bloomberg, Bursa Malaysia

STOCK MARKET HIGHLIGHTS

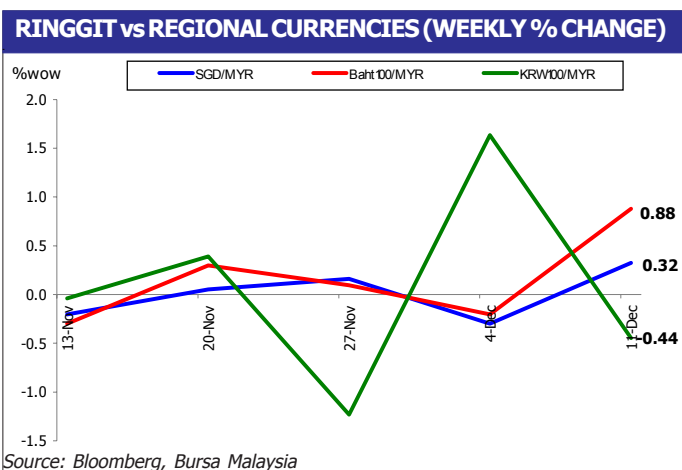
- U.S. stocks advanced this week, overcoming concern that credit losses will rise, after data on jobless claims and retail sales signaled the economic recovery is strengthening.** Delta Air Lines Inc. and US Airways Group Inc. surged more than 9% after oil extended its decline to eight days, the longest losing streak in six years. Gannett Co. soared 28%, the most in the Standard & Poor's 500 Index, after the newspaper publisher forecast more profit than analysts estimated. Alcoa Inc. jumped 12% as JPMorgan Chase & Co. boosted its earnings projections for the aluminum producer. Earlier in the week, US stocks lost a total of 1.3% on Dec. 7 and Dec. 8 after Federal Reserve Chairman Ben S. Bernanke said the U.S. economy faces "significant headwinds," while a reduction in Greece's debt rating and a US\$3.65 billion loss by a Dubai developer added to speculation that global credit markets are struggling to recover.
- U.K. stocks fell as sales at Tesco Plc missed analysts' estimates and Nakheel PJSC, the Dubai World-owned property developer seeking to renegotiate debt, had a first-half loss.** Tesco, the U.K.'s largest retailer, slid 2.3% after third-quarter revenue rose less than analysts had forecast. Xstrata Plc and BHP Billiton Ltd. paced a retreat among raw-material producers. Lonmin Plc and Randgold Resources Ltd. led a retreat among mining shares as copper and gold fell in London. Royal Bank of Scotland Group Plc and Lloyds Banking Group Plc, in which the government owns at least 43%, dropped after Chancellor of the Exchequer Alistair Darling refused to rule out a tax on excessive bonus payments.
- German stocks dropped last week on renewed concern losses from the credit crisis in Dubai will spread and an unexpected drop in industrial production.** Deutsche Bank AG and Commerzbank AG retreated more than 2%. K+S AG led German chemical makers lower as the VCI group said the industry will take years to return to peak production levels. ThyssenKrupp AG dropped 1.3% after a sector association said steel prices would not recover this year.
- Japanese stocks rose for the second week as reductions in U.S. jobless claims boosted confidence that an economic expansion is increasing and brokerages lifted ratings.** Nissan Motor Co., a Japanese carmaker that gets 35% of sales in North America, advanced 3.9% after the yen extended declines. Nomura Holdings Inc., Japan's largest brokerage, gained 3.4%, as the stock was rated "strong outperform" and the brokerage business was rated "overweight" at Mitsubishi UFJ Securities Co. in new coverage. Kawasaki Heavy Industries Ltd., a transport and industrial machinery maker, jumped 6.3% after the Nikkei newspaper said Vietnam selected Japanese technology for a high-speed rail link.



- China's stocks fell last week following a 12% gain in the prior week, led by financial companies and raw-materials producers, on concern the government will curb new lending to avert asset bubbles and limit overcapacity in the nation's industries. Industrial & Commercial Bank of China Ltd. and China Construction Bank Corp., the nation's top two lenders, lost more than 1%. Industrial Bank Co., part-owned by a unit of HSBC Holdings Plc, dropped 3.2% after shareholders approved a rights offer. PetroChina Co. and Zijin Mining Group Co., the nation's largest producers of oil and gold, slid at more than 1% as commodity prices declined.



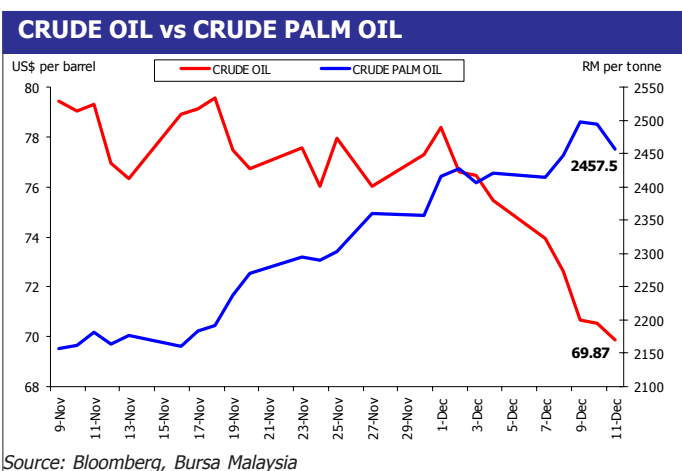
- Malaysia's local benchmark fell last week after a series of rating downgrades dragged stocks lower while decline in commodity prices sparked profit taking activities on plantation stocks. IJM Plantations Bhd. slid 1.5%, the most since Nov. 23 and Kuala Lumpur Kepong Bhd. lost 0.9% to the lowest in more than a week. TSH Resources Bhd. Palm oil futures in Malaysia declined 1.4% to RM2,509 a metric ton last week, the steepest decline since Oct. 27. Genting Malaysia Bhd. also made the headline, falling 1.1% as Genting Malaysia agreed to buy two property units from parent Genting Bhd. for RM229 million. Genting Malaysia's share-price forecast was cut to RM3 from RM3.05 at RHB Research Institute Sdn. to reflect the company's reduced net cash level for the acquisition.



ECONOMIC HIGHLIGHTS

- US consumer credit declined less than forecast in October, a sign the financial crisis is easing and households are gaining confidence the economic expansion will take hold. Credit fell by \$3.51 billion, or 1.7% at an annual rate, to \$2.48 trillion. Borrowing dropped by \$8.77 billion in September, less than previously estimated. (Bloomberg)

- US wholesaler inventories rose in October for the first time in more than a year, signaling companies are picking up the pace of orders as the economy shows signs of improving. The 0.3% increase in stockpiles, the first gain since August 2008, followed a 0.8% drop in September. Sales climbed 1.2% in the same month from 1.3% in the prior month. (Reuters)



- The US trade deficit unexpectedly narrowed in October as rebounding economies overseas and a weaker dollar pushed exports up for a sixth consecutive month. The gap shrank 7.6% to \$32.9 billion from a revised \$35.7 billion in September. Exports were up 2.6%, reaching the highest level since November 2008. A plunge in demand for petroleum checked the gain in imports. (Bloomberg)

- US import prices rose last month by the most in almost a year, led by gains in crude oil and natural gas that are likely to keep the Federal Reserve from cutting interest rates. The 1.7% increase was more than twice economists' forecasts and followed a 0.1% gain in February. Prices excluding petroleum rose 0.3%. Compared with a year earlier, prices of imported goods rose 2.8%. Excluding petroleum, prices rose 2.9% in the past 12 months. (Bloomberg)

- **US retail sales jumped for a second month running in November**, as demand picked up in a broad array of industries, offering hope that a consumer revival could be in store. Sales rose 1.3% last month. That doubled the predictions of most Wall Street analysts and showed improvement from October when retail sales climbed by a revised 1.1%. Excluding cars and petrol, which tend to be volatile on a monthly basis, sales still rose 0.64%. Compared with a year ago, when consumer spending collapsed, retail sales were up 1.9% in November. (*Financial Times*)
- **US consumer sentiment levels rose in the middle of December to their highest level since September**, a report Friday said. The University of Michigan/Reuters preliminary consumer sentiment index moved to 73.4 from 67.4 in November. It was expected to come in at 68.8. (*Bloomberg*)
- **Eurozone investor confidence rose to an 18-month high in December** after the economy emerged from recession and stock markets rallied. An index measuring sentiment in the 16-nation euro region increased for a fifth straight month to minus 5.5 from minus 7 in November. A gauge of current business conditions rose to minus 19.5 from minus 24.25, while a measure of expectations eased to 9.5 from 12. (*Bloomberg*)
- **Japan's current-account surplus widened in October** as worldwide government stimulus spending helped to ease declines in exports. The surplus rose 42.7% to 1.4 trillion yen (\$15.7 billion) from a year earlier. The median estimate of 24 economists surveyed by Bloomberg was for the gap to widen to 1.48 trillion yen. (*Bloomberg*)
- **Japan's bank lending in Japan was up just 0.1% on year in November**, marking the slowest rate of increase since December 2007. That was down sharply from the 1.5% annual increase in October. (*RTT News*)
- **Japan's leading index rose to 89.7 in October from 87.5 in the previous month.** The leading index improved for the eighth straight month and came in above the expected level of 88.7. At the same time, the coincident index stood at 94.3, up from 93.2 in the preceding month. Economists had expected a reading of 93.8. Further, the lagging index came in at 84.8, up from 83.1. (*RTT News*)
- **Japan's GDP expanded at annual rate of 1.3% in the 3Q09**, slower than the 4.8% reported in preliminary figures last month, as companies cut spending in the wake of the country's deepest postwar recession. The economy expanded by 0.3% on quarterly basis and fell 5.1% from the same period last year. (*Bloomberg*)
- **Japan's corporate bankruptcies fell for a fourth month in November to their lowest level in almost two years**, a sign that government measures to support smaller firms are working. Business failures slid 11.4% from a year earlier to 1,132 cases, the fewest since December 2007. (*Bloomberg*)
- **Japan's producer prices fell for an 11th month in November**, underscoring policy makers' concern that deflation may undermine the economic recovery. The costs companies pay for energy and unfinished goods declined 4.9% last month from a year earlier after sliding a revised 6.8% in October. (*Bloomberg*)
- **Japan's machinery orders fell in October**, adding to signs the nation's rebound from its deepest postwar recession isn't strong enough to encourage companies to spend on plant and equipment. Orders, an indicator of business investment in three to six months, declined 4.5% from September, when they increased 10.5%. (*Bloomberg*)
- **Japan's consumer sentiment worsened for the first time in 11 months in November**, in another sign that worries among consumers about the job market could drag on domestic demand and hobble the economy's recovery. The Cabinet Office's consumer confidence survey index, which measures consumers' economic outlook for the coming six months, fell to 39.5 from 40.5 in October. That was the first drop since December 2008, and brought the index to its lowest level since July. (*Wall Street Journal*)
- **China's property prices climbed last month at the fastest pace since July 2008**, adding to concern that record lending may create asset bubbles in the world's fastest growing major economy. Residential and commercial real-estate prices in 70 major cities rose 5.7% from a year earlier, compared with a 3.9% increase in October. Prices of newly built homes rose 6.2% in November, accelerating from 4% the previous month, and second-hand housing prices rose 5.5%. (*Bloomberg*)
- **China's consumer price index rose for the first time in 10 months in November**, adding to evidence the economic recovery is firming, as drops in ex-factory prices narrowed. The consumer price index rose 0.6% in November from a year earlier, reversing October's 0.5% drop and the first increase since January. (*Wall Street Journal*)
- **China's producer price fell 2.1% in November from a year earlier, the 12th consecutive monthly drop**, but the decline was narrower than October's 5.8% fall. The median forecast in the survey was for PPI to fall 2.4% in November. (*Wall Street Journal*)
- **China's exports fell at a slower pace in November** as global demand began to recover from the financial crisis.

Shipments slid 1.2% from a year earlier, after falling 13.8% in October. The median forecast in a Bloomberg News survey of 26 economists was for a 1.4% increase. Imports rose 26.7% from a year earlier compared with a 6.4% decline in October. The trade surplus was US\$19.09 billion, compared with US\$23.99 billion in October. (*Bloomberg*)

- **China's retail sales rose 15.8% year on year to 1.13 trillion yuan (\$166 billion) in November**, the National Bureau of Statistics (NBS) announced on Friday. The rise was 5 percentage points lower than that of a year earlier. It was also down 0.4 percentage points from that in October, the NBS data showed. In the first 11 months, total retail sales topped 11.27 trillion yuan, up 15.3% year on year. The rate was 6.6 percentage points down from that of the corresponding period last year, but unchanged from the first 10 months this year, the data showed. (*Chinadaily News*)
- **China's industrial output growth accelerated to 19.2% in November year-on-year**, following a 16.1% increase in October. The figure increased 10.3% year-on-year over first 11 months this year, 0.9 percentage points higher than that of the first 10 months. Production of heavy industries was up 22.2% in November, and that for the light industries rose 12.6%. In November 2008, China's industrial output growth slowed to 5.4 % year-on-year. (*Chinadaily News*)
- **Malaysia's overall balance of payments (BOP) recorded a larger surplus of RM11.5 billion in the third quarter of this year** compared to RM2.1 billion in the previous quarter, said the Department of Statistics. Year-on-year, the BOP showed a turnaround, to an inflow of RM11.5 billion from an outflow of RM31.5 billion, due to lower net outflow on financial account of RM11.1 billion from the RM62.0 billion posted in the same quarter of 2008. The department said the current account also remained positive, albeit with a lower surplus of RM25.3 billion (equivalent to 14.9% of gross domestic product), down 12.2% from RM28.8 billion a quarter ago. (*Bernama*)
- **Malaysia's manufacturing sales in October 2009 rose 9.3% to RM44.6 billion from a month earlier** but declined 3.7% as compared to RM46.3 billion in October 2008. The Statistics Department said the sales value in September 2009 was a revised negative 21.2% year-on-year to record RM40.8 billion. Meanwhile, total employees engaged in the manufacturing sector in October 2009 was 939,351, an increase of 0.2% as against the preceding month but was a decrease of 5.0% when compared to the 988,520 persons employed in October 2008. Salaries and wages paid in October 2009 increased by 0.7% to RM2.015 billion compared to the preceding month and was 2.1% higher from October 2008. (*Bernama*)
- **Malaysia's industrial output in October marked the first growth in 14 months**, thanks to increased production in the manufacturing and electricity sectors. October industrial production index (IPI) rose 0.7% from a year ago, beating market expectations and a Business Times poll which had

expected a 1.96% contraction. The Statistics Department said the growth was due to the rises in two of its indices - manufacturing (1%) and electricity (13.4%). Month-on-month, the IPI rose by 5.7%. (*Business Times*)

UPCOMING RELEASE (14 - 18 DEC 2009)

US

- November Producer Price Index (PPI) by Processing Stage Finished Goods by Bureau of Labor Statistics on December 15, 2009.
- November Industrial Production Index (IPI) by Federal Reserve on December 15, 2009.
- December NAHB Housing Market Index by National Association of Home Builders Market Index on December 15, 2009.
- December Consumer Confidence by University of Michigan Survey Research on December 16, 2009.
- Weekly Mortgage Applications by Mortgage Bankers Association on December 16, 2009.
- November Consumer Price Index (CPI) by Bureau of Labor Statistics on December 16, 2009.
- November Housing Starts by Department of Commerce on December 16, 2009.
- November Building Permits by Department of Commerce on December 16, 2009.
- Weekly Initial Jobless Claims by Department of Labor on December 17, 2009.
- November Leading Indicators by Conference Board on December 17, 2009.

Eurozone

- 3Q 2009 Employment by Eurostat on December 14, 2009.
- October Industrial Production Index (IPI) by Eurostat on December 14, 2009.
- November Consumer Price Index (CPI) by Eurostat on December 16, 2009.
- December ZEW Euro-zone Expectation of Economic Growth by ZEW Zentrum fuer Europaeische on December 15, 2009.
- October Construction Output by Eurostat on December 17, 2009.
- October Current Account by European Central Bank (ECB) on December 18, 2009.
- October Trade Balance by Eurostat on December 18, 2009.

Japan

- October Tertiary Industry Activity Index by Ministry of Economy, Trade and Industry on December 15, 2009.
- October Leading Economic Index by Economic and Social Research Institution (ESRI) on December 17, 2009.
- Announcement of Japan Interest Rates by Bank of Japan (BOJ) on December 17, 2009.

China

- November New Yuan Loans by The People's Bank of China on December 10-14, 09.
- November Money Supply M1 by The People's Bank of China on December 10-14, 09.
- November Exports by Customs General Administration on December 10, 2009.
- November Actual FDI by China Ministry of Commerce on December 13-16, 09.

Malaysia

- November Consumer Price Index (CPI) by Department of Statistics Malaysia (DOSM) on December 16, 2009.