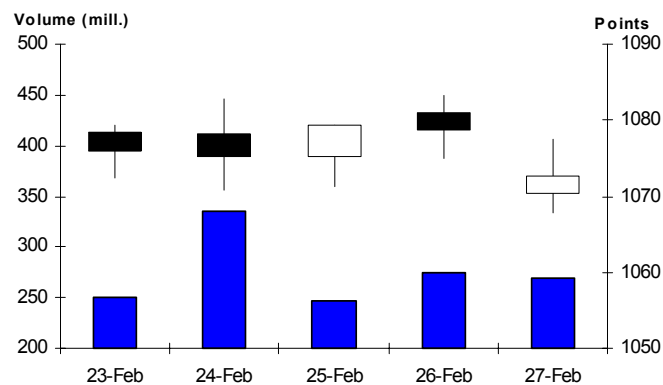


#### WEEKLY CLOSING IN MAJOR MARKET INDICES

	26-Jun	3-Jul	%wow	%ytd
KL Composite	1,075.77	1,072.69	-0.3	22.3
Dow Jones	8,438.39	8,280.74	-1.9	-5.6
Nikkei 225	9,877.39	9,816.07	-0.6	10.8
DAX Index	4,776.47	4,708.21	-1.4	-2.1
UK FTSE100	4,241.01	4,236.28	-0.1	-4.5
AUS ORD 30	3,899.50	3,826.60	-1.9	4.6
STI Index	2,317.95	2,299.75	-0.8	30.6
Hang Seng	18,600.26	18,203.40	-2.1	26.5
SSE Index	2,928.21	3,088.37	5.5	69.6

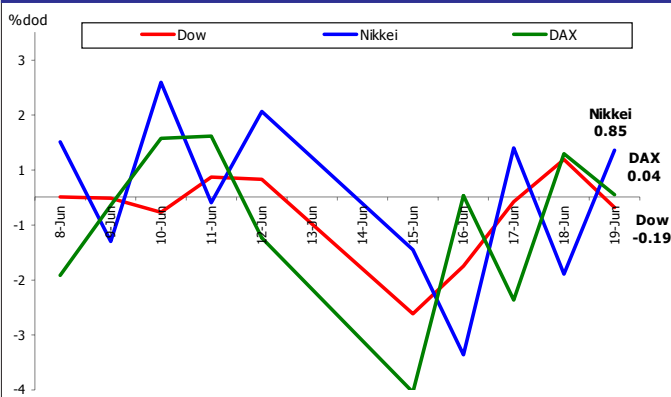
Source: Bloomberg, Bursa Malaysia

#### KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

#### MAJOR STOCK INDICES (DAILY % CHANGE)

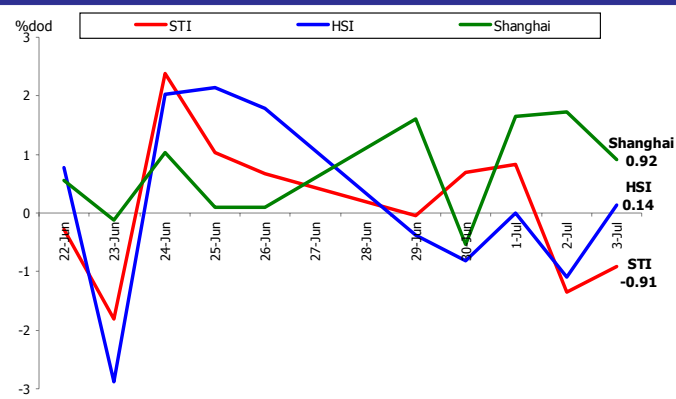


Source: Bloomberg, Bursa Malaysia

#### STOCK MARKET HIGHLIGHTS

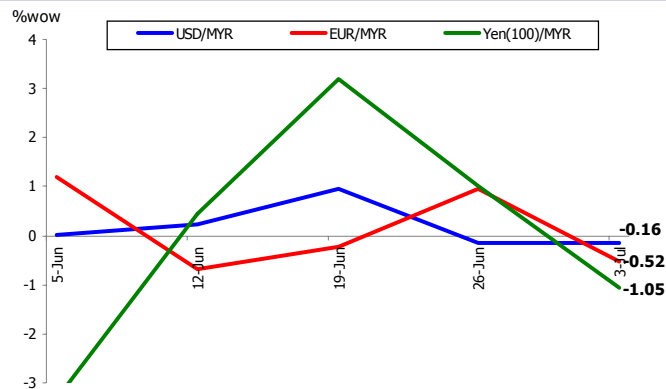
- U.S. stocks slid, sending the Dow Jones Industrial Index to a third straight weekly drop**, as a worse-than-projected decrease in jobs added to concern that rising unemployment will prolong the recession. Among major movers were Alcoa Inc., Boeing Co. and Walt Disney Co. all slid more than 3% after the Labor Department said payrolls shrank by 467,000 jobs last month, topping economists' consensus by almost 100,000.
- U.K. stocks dropped, led by a sell off in commodity producers**, following worries of the US unemployment numbers. Lonmin Plc and BHP Billiton Ltd. paced a retreat by mining companies as metal prices dropped in London and after a gauge of mining shares yesterday rallied to the highest in more than two weeks. Royal Dutch Shell Plc led oil companies lower as crude oil traded below US\$68 a barrel.
- German stocks dropped for a fourth week** after reports showed unemployment in Europe and the U.S. rose, fueling concern the economy won't recover soon. Daimler AG, the maker of Mercedes-Benz cars, and Volkswagen AG sank at least 4% as U.S. auto sales fell last week and Credit Suisse Group AG cut its recommendation for the industry. ThyssenKrupp AG and Salzgitter AG, the country's biggest steelmakers, tumbled more than 3%.
- Japanese stocks dropped on retailers' slowing sales and after worsening U.S. and European job data** fueled concern the global economic slump will be prolonged. Seven & I Holdings Co., the nation's largest retailer, plunged 5% after reporting a record quarterly slump in profit. Mitsui O.S.K. Lines Ltd. dropped 3% after commodity cargo fees fell to the lowest level in three weeks. Orix Corp., Japan's largest non-bank financial company, surged 7.1% even after saying it will sell new shares, which will dilute shareholder value by as much as a fifth.
- China's stocks rose, driving the Shanghai Composite Index to a third weekly gain, as energy producers advanced on signs power demand is recovering.** Datang International Power Generation Co. climbed 4% and China Shenhua Energy Co. added 5.2%. The China Securities Journal said the nation's electricity output rose in June, its first monthly advance since October. Poly Real Estate Group Co. jumped 5.2% on optimism property prices will post further

## REGIONAL STOCK INDICES (DAILY % CHANGE)



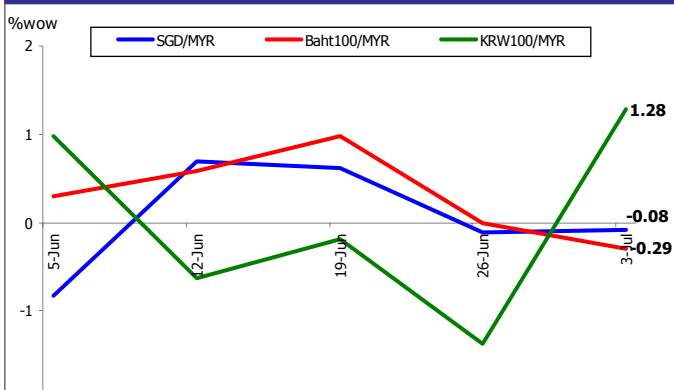
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



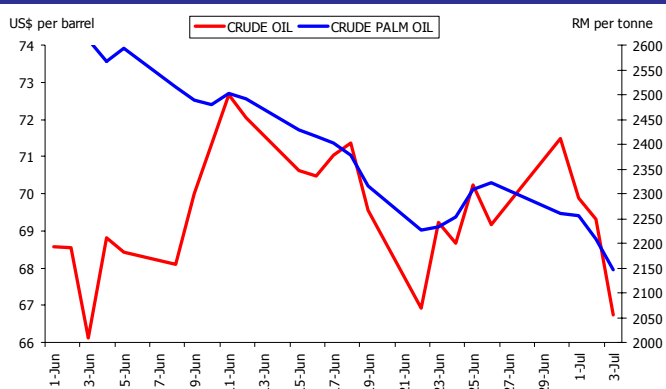
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

## CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

gains. SAIC Motor Co. increased 4.5% on speculation that the government may widen tax cuts on cars.

- **The Kuala Lumpur Composite Index fell last week led by plantation stocks after crude palm oil prices fell for the ninth consecutive week.** Kuala Lumpur Kepong Bhd., Malaysia's third-biggest palm oil producer, fell 1.7% while Kulim Malaysia Bhd. declined 1.6%. Index heavyweight and Malaysia's largest palm oil producer, Sime Darby Bhd., sank 1.4%. Palm oil futures has shrunk by 21.9% from its May 13 high of RM2,886 per tonne as buyers hold off purchases on speculation supply will rise this quarter, damping prices.

## ECONOMIC HIGHLIGHTS

- **US home prices in 20 major US cities fell in April** at a slower pace than market forecast, a sign that the plunge in real estate values is abating. The S&P/Case-Shiller home-price index decreased 18.1% from a year earlier following an 18.7% drop in March. The measure declined 19% in January, the most since the data began in 2001. The measure was down 0.6% in April from the prior month, the best performance since June 2008.
- **US mortgage applications fell by the most since February** as refinancing slumped to the lowest in seven months. The MBA's index of applications to purchase a home or refinance a loan dropped 19% to 444.8 in the week ended June 26. The average rate on a 30-year fixed-rate loan fell to 5.34% from 5.44% the prior week. The rate reached 4.61% at the end of March, the lowest level since 1990.
- **US manufacturing shrank at the slowest pace since August 2008**, underscoring signs the economy began to stabilize in 2Q. The ISM's factory index rose in June for a sixth straight month to 44.8, readings less than 50 signal contraction. The gain in the index was paced by improvements in production, which expanded for the first time since August, and employment. A gauge of export orders also increased, almost reaching the breakeven level of 50.
- **US construction spending fell in May** for the fourth time in five months, a sign that a rebound from the housing recession will be slow to develop. The 0.9% m-o-m decrease followed a 0.6% gain the prior month.
- **US pending home sales rose for a fourth consecutive month in May**, a sign the four-year slump in housing sales may be bottoming out. The 0.1% m-o-m gain in pending home sales followed a 7.1% rise the prior month. The May reading was up 4.6% from the same month a year earlier.
- **US factory orders rose for the third time in four months in May**, as demand for aircraft, computers and machinery increased. Bookings gained 1.2% m-o-m, the most since June 2008, after a 0.5% increase in April. Factory inventories fell 0.6% m-o-m, and manufacturers

had enough goods on hand to last 1.45 months at the current sales pace, the same as in April.

- **US employers cut more jobs than forecast in June and the unemployment rate rose to the highest in almost 26 years**, limiting wages and threatening to erode the consumer spending essential to an economic recovery. Payrolls declined by 467,000 followed a 322,000 drop in May. The jobless rate rose to 9.5%, the highest since August 1983.
- **Eurozone confidence in the economic outlook rose in June**, adding to signs that record low interest rates and stimulus measures are helping to pull the region out of a recession. An index of executive and consumer sentiment increased to 73.3, the highest since November from 70.2 in May.
- **Eurozone inflation turned negative for the first time in June**. The consumer price index dropped 0.1% y-o-y in June. After hitting a record high of 4.0% in June and July last year, annual inflation steadily decreased to reach a record low of 0.0% in May 2009, raising deflationary concerns. ECB President said that the annual inflation rates are projected to decline further and temporarily remain negative over the coming months, before returning to positive territory by the end of 2009.
- **Eurozone manufacturing sector continued to fall in June**, but contracted at the slowest pace in nine months. The PMI rose to 42.6, up from 40.7 in June. A reading of less than 50 signals expansion. The PMI has been in negative territory for 13 consecutive months.
- **Eurozone retail sales fell further than expected in May**, dampening hopes that an improvement in consumer spending might ease the recession. Retail sales fell 0.4% m-o-m and dropped 3.3% y-o-y. Retail sales had inched up m-o-m for the first time in five months in April and their annual decline was lower than expected.
- **European Central Bank (ECB) has kept its interest rates at the current record low of 1.00%**. ECB President said that he was not overly concerned about falling prices, and said it would be short-lived.
- **Eurozone composite purchasing managers index (PMI) rose to 44.6 in June** from 44.0 in May. The reading still indicates a contraction in activity, while a figure of more than 50 signals expansion. The June reading marked the smallest decline in output since September.
- **Japan's unemployment rate rose to its highest level in more than five years in May** as firms slashed jobs to cope with the worst recession since World War II. The jobless rate climbed to 5.2%, a level last seen in September 2003, up from 5.0% in April.
- **Japan's household spending rose 0.3% y-o-y and increased 2.2% m-o-m in May**. Japanese households had been trimming spending as companies cut jobs and bonuses amid the global financial crisis.

- **Japan's housing starts fell 30.8% y-o-y in May**. Housing starts declined for the sixth month in a row as consumers grew cautious about rapidly deteriorating job and income conditions.
- **Japan's sentiment among largest manufacturers rose less than estimated in June**, signaling the economy may be slow to recover from its deepest postwar recession. An index of confidence among large makers of electronics, cars and other products climbed to minus 48 in April from a record minus 58 in March. Confidence at big non-manufacturers rose to minus 29 points from minus 31. A negative number means pessimists still outnumber optimists. Large manufacturers and service companies both expect to be less gloomy in September.
- **Malaysia's exports fell for an eight straight month in May** as shipments of electronics and commodities plunged amid the global recession. Overseas shipments dropped 29.7% y-o-y in May to RM42.95 billion after declining 26.3% the previous month. Imports dropped 27.8% to RM32.90 billion in May, leaving a trade surplus of RM10.02 billion.

## UPCOMING RELEASE (6-10 JULY 2009)

### US

- June ISM Non-Manufacturing Business Activity Index by Institute for Supply Management on July 6, 2009.
- Weekly Mortgage Applications by Mortgage Bankers Association on July 8, 2009.
- May Consumer Credit by Federal Reserve on July 8, 2009.
- May Merchant Wholesalers Inventories by US Census Bureau on July 9, 2009.
- May Trade Balance by US Census Bureau on July 10, 2009.
- June Import Price Index by Bureau of Labor on July 10, 2009.
- July Consumer Confidence by University of Michigan Survey Research on July 10, 2009.

### Eurozone

- 1Q 2009 Gross Domestic Product update by Eurostat on July 8, 2009.

### Japan

- May Leading Economic Index by Economic and Social Research Institution (ESRI) on July 6, 2009.
- June Official Reserve Assets by Ministry of Finance on July 6, 2009.
- May Machinery Order by Economic and Social Research Institution (ESRI) on July 7, 2009.
- May Trade Balance by Ministry of Finance on July 7, 2009.
- June Bankruptcies Cases by Tokyo Shoko Research Ltd on July 8, 2009.
- June Economy Watchers Survey by Economic & Social Research Institute (ESRI) on July 8, 2009.
- June Domestic Corporate Goods Price (CGPI) by BOJ on July 9, 2009.

### Malaysia

- Foreign Reserves as at June 30 by Bank Negara Malaysia (BNM) on July 7, 2009.
- May Industrial Production Index (IPI) by Department of Statistics Malaysia (DOSM) on July 9, 2009.