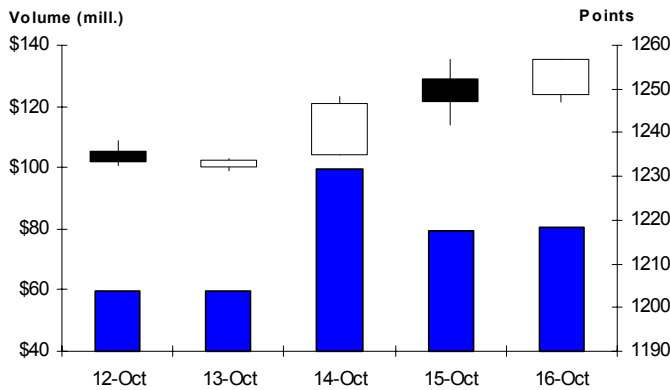


WEEKLY CLOSING IN MAJOR MARKET INDICES

	9-Oct	16-Oct	%wow	%ytd
KL Composite	1233.82	1256.77	1.9	43.3
Dow Jones	9864.94	9995.91	1.3	13.9
Nikkei 225	10016.39	10257.56	2.4	15.8
DAX Index	5711.88	5743.39	0.6	19.4
UK FTSE100	5161.87	5190.24	0.5	17.1
AUS ORD 30	4754.5	4842.6	1.9	32.3
STI Index	2652.51	2708.12	2.1	53.7
Hang Seng	21499.44	21929.9	2.0	52.4
SSE Index	2911.715	2976.633	2.2	63.5

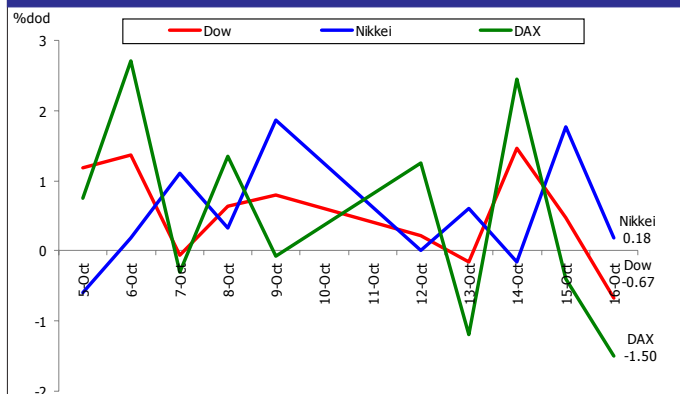
Source: Bloomberg, Bursa Malaysia

KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

MAJOR STOCK INDICES (DAILY % CHANGE)

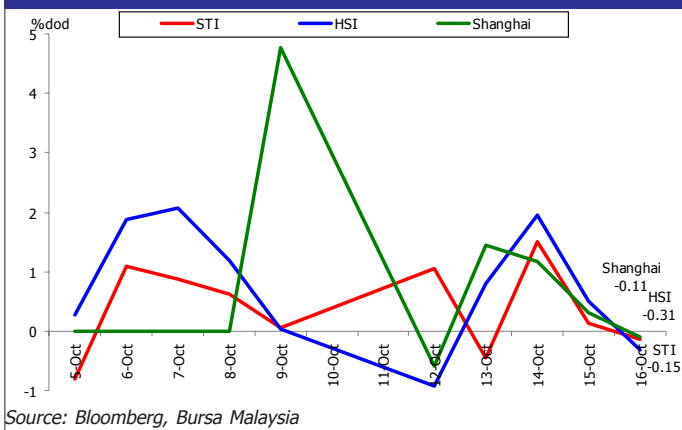


Source: Bloomberg, Bursa Malaysia

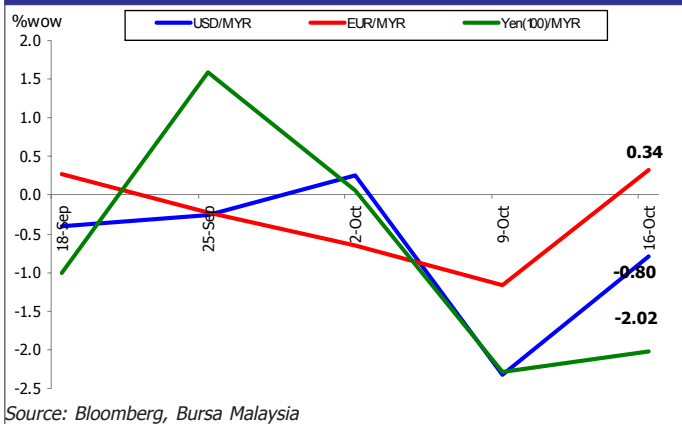
STOCK MARKET HIGHLIGHTS

- U.S. stocks advanced for a second week after profits from JPMorgan Chase & Co. and Intel Corp. surpassed estimates, lifting the Dow Jones Industrial Average above 10,000 for the first time in more than a year.** General Electric Co. and Bank of America Corp.'s results pushed the Dow average down 67 points to 9,995.91 on Friday. For the week, JPMorgan increased 0.5% after reporting its highest profit since 2007. Intel climbed after its sales forecast beat estimates. Harley-Davidson Inc. advanced 17% for the steepest gain in the Standard & Poor's 500 Index after selling a unit and announcing a plan to cut costs.
- U.K. stocks advanced last week led by mining stocks as metal prices rallied and British unemployment climbed by the least in a year.** Rio Tinto added 6% after the company said third-quarter iron ore production rose to a record on demand from steelmakers in China. Copper led a rally in metals prices as Chinese exports declined at the slowest pace in nine months in September, adding to evidence the global economy is emerging from its deepest postwar recession. BHP Billiton Ltd., the world's biggest mining company, gained 4.2%.
- Germany's DAX Index rose to the highest level since September 2008 after third-quarter earnings from BASF SE and JPMorgan Chase & Co. beat analysts' estimates and Intel Corp.'s sales forecast also exceeded projections.** BASF surged 7.4% as the company signaled cost cuts took hold and demand from China led a "slow" and "fragile" industry recovery. Deutsche Bank AG and Commerzbank AG climbed more than 3%. Infineon Technologies AG, Europe's second-largest semiconductor maker, jumped 4%. ThyssenKrupp AG and Salzgitter AG gained with metal prices.
- Japanese stocks gained after Elpida Memory Inc.'s earnings and brokerage upgrades at electronics makers boosted speculation demand for products is picking up.** Elpida, Japan's biggest maker of computer memory-chips, gained 2.9%. Panasonic Corp., the world's largest maker of plasma televisions, gained 3% after JPMorgan Chase & Co. lifted its view on Japan's electronics industry to bullish. Nippon Steel Corp. added 3.1% after South Korean rival Posco boosted its profit forecast.

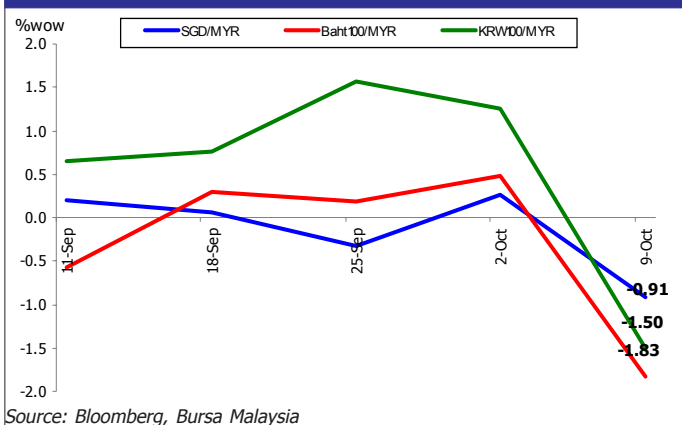
REGIONAL STOCK INDICES (DAILY % CHANGE)



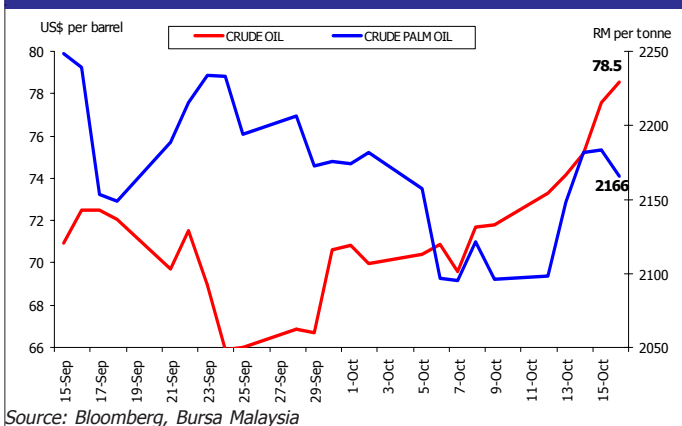
RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



CRUDE OIL vs CRUDE PALM OIL



- **China's stocks rose, driving the benchmark index to a four-week high, after the nation's exports declined at the slowest pace in nine months**, aiding government efforts to sustain the recovery in the economy. China Railway Group Ltd. and China Shipping Container Lines Co., the country's second-largest carrier of sea-cargo boxes, advanced more than 2%. China State Construction Engineering Corp., the nation's largest housing contractor, jumped 10% on rising orders and property sales. PetroChina Co. added 1.5% as oil prices gained.
- **Malaysia's stock benchmark closed the week 1.9% higher, setting another 2009 high on a broad based rally as investors await the upcoming Budget 2010 announcement later this week.** RHB Capital Bhd. was the best performing stock last week following news that the company is acquiring a stake in a bank in Indonesia. The company had requested for suspension for trading today. Plantation stocks also rose last week as Intertek reported last week that Malaysia's palm oil exports jumped 12.6% in the first 15 days of October compared to the same period last month while palm oil futures in Malaysia rose as much as 3.2% last week. IOI Corp., Malaysia's second-biggest palm oil producer, rose 3.0% while Kuala Lumpur Kepong Bhd. gained 4.4%.

ECONOMIC HIGHLIGHTS

- **The US trade deficit unexpectedly narrowed in August** as exports climbed to the highest level of the year and oil imports plunged. The gap fell 3.6% to US\$30.7 billion from a revised US\$31.9 billion in July. The 0.2% increase in demand for American-made goods abroad would have been larger excluding a drop in aircraft shipments, which tend to be volatile. (Bloomberg)
- **US mortgage applications dipped for the week to Oct. 9** by 1.8% to 742.9 after touching its highest since the week ended May 22 in the previous week. Interest rates on 30-year loans rose above 5%. The Mortgage Bankers Association said rates on 30-year fixed-rate mortgages, the most widely used loan, rose above 5% for the first time in four weeks after falling to a four-month low. (Reuters)
- **US consumer prices rose 0.2% in September** after a 0.4% gain in August. The consumer-price report backs Fed policy makers who argue that interest rates should be kept near zero for a longtime to nurture a recovery from the worst recession since the 1930s. Energy prices increased 0.6% in September as the cost of gasoline climbed 1%. Excluding food and energy costs, the so-called core index climbed 0.2%, more than anticipated and pushed up by health care and a rebound in auto prices following the expiration of the government's "cash for clunkers" program. (Bloomberg)

- **US initial claims for state unemployment benefits fell 10,000 to a seasonally adjusted 514,000 in the week ended Oct. 10.** New jobless claims have declined for five of the last six weeks. Analysts polled by Reuters had forecast new claims rising to 525,000 last week from a previously reported 521,000. *(Reuters)*
- **US import prices rose in September for the sixth time in seven months** as the weaker currency lifted the cost of goods such as industrial supplies and food. The 0.1% gain in the import-price index followed a revised 1.6% increase the prior month that was smaller than previously estimated. Prices excluding fuel rose 0.6%, the most since July 2008, as the cost of oil fell. *(Bloomberg)*
- **US retail sales fell less than forecast in September** after the Obama administration's cash-for-clunkers program expired, signaling consumers are gaining confidence in the outlook for an economic recovery. The 1.5% decrease followed a 2.2% gain the prior month. Sales excluding automobiles climbed 0.5%, more than projected. *(Bloomberg)*
- **US industrial production rose more than anticipated in September,** putting manufacturing at the forefront of the emerging economic recovery. The 0.7% increase in production at factories, mines and utilities exceeded every forecast of economists surveyed by Bloomberg News and followed gains of 1.2% in August and 0.9% in July. *(Bloomberg)*
- **US consumer confidence fell more than forecast in October,** a reminder that households remain nervous about the strength of the emerging economic recovery. The Reuters/University of Michigan preliminary index of consumer sentiment decreased to 69.4 from 73.5 in September, which was the highest in more than a year. Measures of expectations for six months ahead and current conditions both fell. The index averaged 87.3 in 12 months leading to December 2007, when the recession began. *(Bloomberg)*
- **Eurozone industrial-output gain adds to recovery signs.** Production in the economy of the 16 nations using the euro increased 0.9% from July, when it gained 0.2%, from a year earlier. August output fell 15.4%, the slowest annual drop in eight months. This is led by consumer durable goods, adding to signs the euro-area economy is emerging from the deepest recession since World War II. *(Bloomberg)*
- **Eurozone consumer prices fell for a fourth month in September** as energy prices dropped and companies cut jobs and reduced costs to weather the global economic slump. Prices in the 16-nation euro region declined 0.3% from a year earlier after falling 0.2% in August. The September drop matched an initial estimate released on Sept. 30. *(Reuters)*
- **Eurozone exports declined the most in seven months in August** as the region struggled to emerge from the deepest recession since World War II and the euro's appreciation threatened to undermine the recovery. Exports from the 16-nation euro region fell a seasonally adjusted 5.8% from July, when they rose 4.7%. That was the biggest decline since January. Imports fell 1.3% in August and the trade surplus shrank to 1 billion euros (\$1.5 billion) from 6 billion euros in the previous month. *(Bloomberg)*
- **Japan's bank lending growth slows for ninth month** as large companies cut spending and lenders curbed credit to small companies on concern that bad debts may increase. Lending, excluding loans by credit associations, rose 1.7% from a year earlier, compared with 1.9% in August, the Bank of Japan said today. Large Japanese companies plan to cut spending 10.8% this year, which may slow the nation's recovery from the worst postwar recession, the central bank's Tankan survey showed this month. *(Bloomberg)*
- **Japan's producer prices declined 7.9% in September** as oil traded lower than last year's levels and demand for materials waned. The costs companies pay for energy and unfinished goods declined 7.9% in September from a year earlier after sliding a record 8.5%. *(Bloomberg)*
- **The Bank of Japan upgraded its assessment of the economy for a second month** as it shows more signs of a recovery from the deepest postwar recession. Bank of Japan Governor Masaaki Shirakawa said that signs of a rebound are spreading while economic conditions remain severe. The central bank raised its evaluation of business investment, saying the pace of deterioration is moderating. The central bank will decide the fate of its emergency credit-easing programs before they expire on Dec. 31, Shirakawa said after his policy board left the benchmark interest rate at 0.1%. *(Bloomberg)*
- **Japan's consumer confidence advances to a 23-month high.** The confidence index advanced to 40.5 last month, the ninth consecutive increase. Household sentiment plunged to a record low in December as an export slump prompted manufacturers to fire workers and slash paychecks. *(Bloomberg)*
- **Japan's industrial production grew 1.6% in August** from the prior month, revised down from the initial estimate of 1.8%, a report released by the Ministry of Economy, Trade and Industry showed Thursday. Year-on-year, industrial output was down 19%. *(RTT News)*
- **China's new lending climbs in September, helping to drive recovery.** Banks extended 516.7 billion yuan (\$75.7 billion) of local-currency loans, compared with 410.4 billion yuan in August, the People's Bank of China said today on its Web site. M2, the broadest measure of money supply, grew a record 29.3% from a year earlier. China's unprecedented surge in new lending this year is fueling the nation's

economic rebound at the risk of asset bubbles, bad loans and resurgent inflation. Deputy central bank governor Yi Gang downplayed concern at the scale of credit growth on Oct. 3, saying that lending will stabilize and reach "a sustainable level." (*Bloomberg*)

- **China's foreign-exchange reserves, the world's biggest, surged** as an economic recovery attracted speculative capital and a weak dollar boosted valuations of its yen and euro assets. The holdings climbed about \$141 billion in the third quarter to a record \$2.273 trillion. That was less than the unprecedented \$178 billion gain in the second quarter. (*Bloomberg*)
- **China's exports fell the least in nine months in September** as the world's third-largest economy leads the recovery from the global recession. Exports declined 15.2% a year earlier. Imports dropped the least in 11 months. (*Bloomberg*)
- **China's foreign direct investment climbed for a second month in September** from a year earlier as the global slump eased. Investment rose 18.9% to \$7.9 billion. That compared with a 7% jump in August. (*Bloomberg*)
- **Malaysia's industrial output improved in August, posting a smaller decline of 5.7% year-on-year.** It was down from 8.1% year-on-year decline in July. The Statistics Department said the drop was due to decreases in manufacturing (-6.6%) and mining (-5.5%). Electricity, however, posted an increase of 3.9%. Month-on-month, the Industrial Output Index (IPI) fell 1.1%. (*Business Times*)
- **Malaysia's manufacturing sales in Malaysia dropped 20.1% to RM41.5 billion in August from a year ago.** Compared to July's revised 23.2% growth, it was a marginal 0.6% drop. The Statistics Department said that there was an increase in the number of employees in the manufacturing sector, up 0.1% in August versus July, and a rise in salaries and wages by 1.5%. (*Business Times*)

UPCOMING RELEASE (19 - 23 OCT. 2009)

US

- October NAHB Housing Market Index by National Association of Home Builders Market Index on October 19, 2009.
- September Producer Price Index (PPI) by Processing Stage Finished Goods by Bureau of Labor Statistics on October 20, 2009.
- September Housing Starts by Department of Commerce on October 20, 2009.
- Weekly Mortgage Applications by Mortgage Bankers Association on October 21, 2009.
- Weekly Initial Jobless Claims by Department of Labor on October 22, 2009.
- September Leading Indicators by Conference Board on October 22, 2009.
- August Home Price Index by S&P/Case Shiller on October 22, 2009.
- September Existing Home Sales by National Association of Realtors on October 23, 2009.

Eurozone

- August Construction Output by Eurostat on October 19, 2009.
- October Composite PMI Output by NTC Research on October 21-24, 2009.
- August Current Account by European Central Bank (ECB) on October 22, 2009.
- August Industrial New Orders by Eurostat on October 23, 2009.

Japan

- August Leading Economic Index by Economic and Social Research Institution (ESRI) on October 20, 2009.
- September Merchandise Trade Balance Ministry of Economy, Trade and Industry on October 21, 2009.
- August All Industrial Activity Index by Ministry of Economy, Trade & Industry (Japan) on October 21, 2009.

China

- 3Q09 Real Gross Domestic Product by National Bureau of Statistics on October 21, 2009.
- September Producer Price Index by National Bureau of Statistics on October 21, 2009.
- September Purchasing Price Index by National Bureau of Statistics on October 21, 2009.
- September Consumer Price Index by National Bureau of Statistics on October 21, 2009.
- September Retail Sales by National Bureau of Statistics on October 21, 2009.
- September Industrial Production Index by National Bureau of Statistics on October 21, 2009.

Malaysia

- September Consumer Price Index (CPI) by Department of Statistics Malaysia (DOSM) on October 21, 2009.
- Foreign Reserves as at October 15, 2009 by Bank Negara Malaysia (BNM) on October 22, 2009.
- The announcement of Malaysian Budget 2010 by the Ministry of Finance on October 23, 2009.