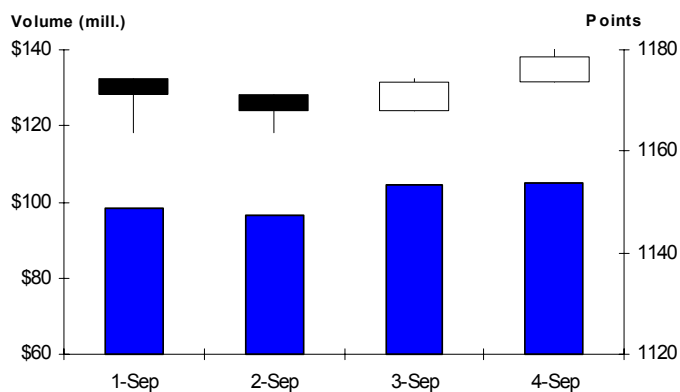


#### WEEKLY CLOSING IN MAJOR MARKET INDICES

	28-Aug	4-Sep	%wow	%ytd
KL Composite	1174.27	1178.74	0.4	34.4
Dow Jones	9544.2	9441.27	-1.1	7.6
Nikkei 225	10534.14	10187.11	-3.3	15.0
DAX Index	5517.35	5384.43	-2.4	11.9
UK FTSE100	4908.9	4851.7	-1.2	9.4
AUS ORD 30	4495.9	4442.7	-1.2	21.4
STI Index	2642.8	2622.69	-0.8	48.9
Hang Seng	20098.62	20318.62	1.1	41.2
SSE Index	2860.688	2861.609	0.0	57.2

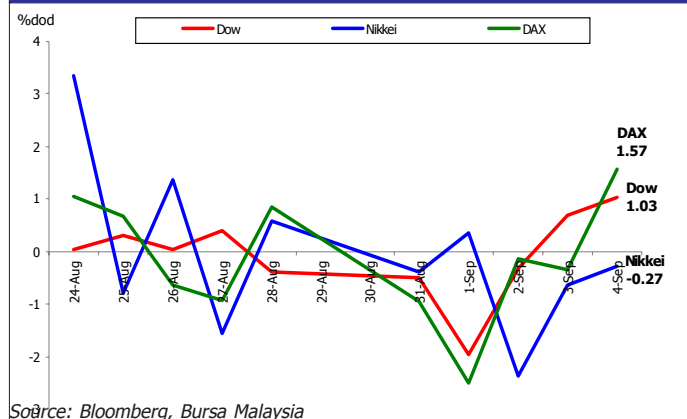
Source: Bloomberg, Bursa Malaysia

#### KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

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

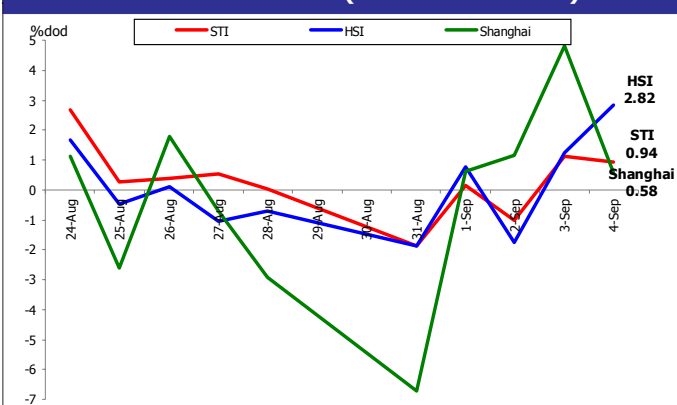


Source: Bloomberg, Bursa Malaysia

#### STOCK MARKET HIGHLIGHTS

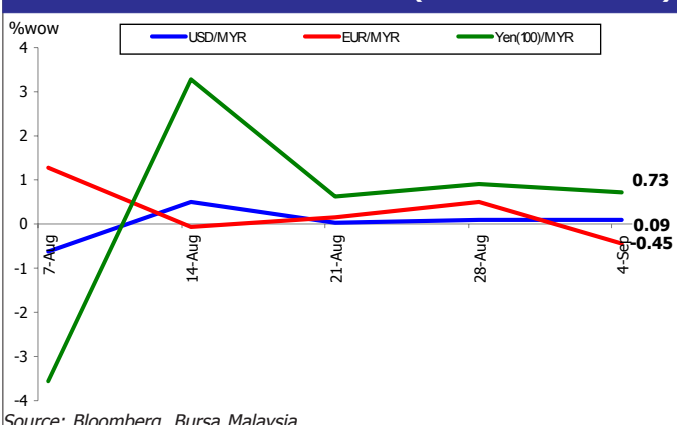
- U.S. stocks fell the most in two months this week, led by financial and energy companies, amid concern banks have surged more than their earnings prospects warrant and lower oil prices.** Equities rallied on Friday as the pace of job losses slowed. Morgan Stanley lost 6.3% this week after Bank of America Corp. cut its rating following an 84% rally this year. American International Group Inc. plunged 20% on Sanford C. Bernstein & Co.'s recommendation to sell the shares, which jumped 245% in August. Exxon Mobil Corp. fell as crude oil slid 6.5% after China said it would implement stricter capital rules for banks, spurring speculation growth will cool in the second-largest energy-consuming nation.
- U.K. stocks fell as reports spurred concern that the economy's rebound from a recession will be uneven.** U.K. consumers repaid debt by the most on record in July and manufacturing unexpectedly contracted, releases said on Tuesday, signaling the economy's path out of the worst recession in a generation won't be a straight increase. RSA Insurance Group Plc led the decline after the Sunday Telegraph said the insurer is considering a rights offer to raise US\$1 billion. Stocks decline were buffered by mining stocks on speculation the Chinese government will help economic growth and after companies from Alcoa Inc. to Vale SA gave positive outlooks for demand from the Asian country.
- German stocks fell for a third day on concern that prices have outpaced the prospects for earnings and an economic recovery after a six-month rally pushed the DAX Index to its most expensive level since December 2003.** ThyssenKrupp AG and Salzgitter AG, Germany's biggest steelmakers, retreated more than 2%. Allianz SE followed European insurers lower, declining 2.6%. Bayerische Motoren Werke AG and Daimler AG slid at least 2% as U.S. car sales dropped.
- Japanese stocks fell the most in two weeks after U.S. financial companies had their biggest decline since June, the dollar and euro weakened against the yen and commodities prices slid.** Mitsubishi UFJ Financial Group Inc., Japan's largest listed bank, slumped 2.5%. Canon Inc., a camera maker that gets more than a quarter of its sales from the Americas, lost 2.8% even after U.S. manufacturing and pending homes sales increased more than estimated. Oil explorer Inpex Corp. declined 4.3%. Seven & I Holdings Co., Japan's largest retailer, decreased 2.7% after cutting its annual earnings forecast.

### REGIONAL STOCK INDICES (DAILY % CHANGE)



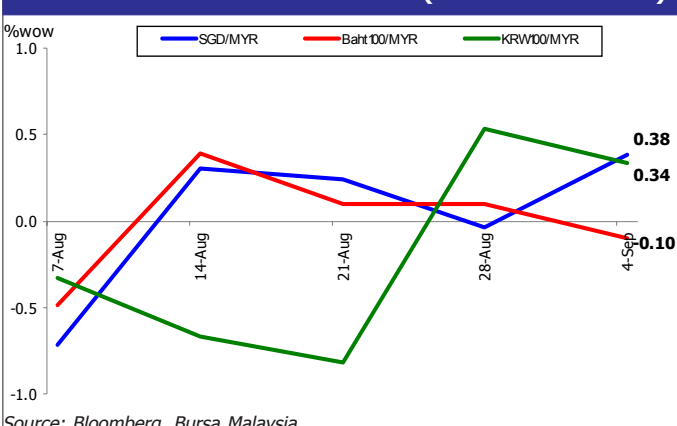
Source: Bloomberg, Bursa Malaysia

### RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



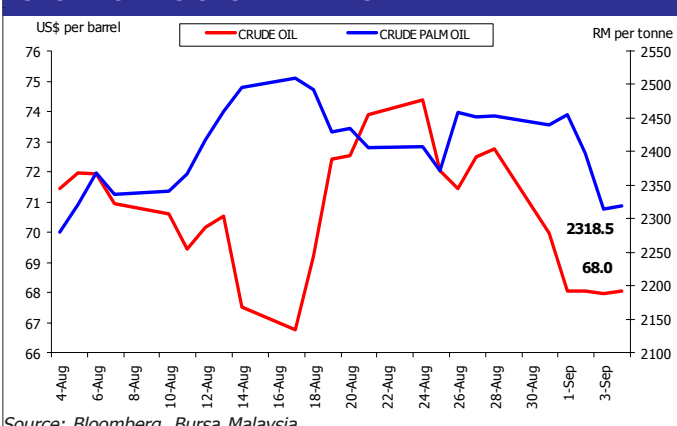
Source: Bloomberg, Bursa Malaysia

### RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

### CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

- **China stocks ended the week flat after its 6.7% plunge on Monday were recovered by 4 days of rally on speculation that the government will adopt measures to boost equities following declines in the past month.** Citic Securities Co., the country's largest brokerage, jumped 6.6% and Poly Real Estate Group Co. surged 8.2% after Liu Xinhua, vice chairman of the China Securities Regulatory Commission, that regulators will promote a stable and healthy market. Aluminum Corp. of China Ltd. rose 9.6% after Alcoa Inc. said Chinese demand for aluminum will increase this year.
- **Malaysia stock market gained for a second week following a series of recommendations on blue chip counters while crude palm oil prices held steady last week.** Among top gainers were Bumiputra-Commerce Holdings Bhd., Malaysia's second-biggest bank and Tanjong Plc., a betting and power group after RHB Research Institute said in a report last week that the two stocks are among its top picks investors should buy for the long term because they are undervalued. Genting Bhd., Asia's biggest casino operator, however notched the biggest weekly gain after speculation widened that its Genting Singapore Plc unit, which is building its S\$6.6 billion resort casino in the island nation, will open ahead of schedule.

### ECONOMIC HIGHLIGHTS

- **US pending home sales rose in July** and increased for a record sixth consecutive month, reinforcing signs that the housing market is steadying. The index of signed purchase agreements, or pending home sales, gained 3.2% m-o-m after a 3.6% rise in June. Compared with July 2008, pending sales climbed 13%.
- **US manufacturing expanded for the first time in 19 months in August**, indicating the worst recession since 1930s has ended. The Institute of Supply Management's factory index posted its biggest two-month gain since 1983, rising to 52.9 in August. Readings higher than 50 signal an expansion.
- **US construction spending fell by 0.2% m-o-m in July** due to weaker government spending and non-residential building construction. It followed a 0.1% increase in the previous month.
- **US service industries that make up most of the US economy shrank at a slower pace in August**, further evidence that the worst recession since the 1930s is ending. The Institute for Supply Management's index of non-manufacturing businesses rose to 48.4, the highest level in 11 months, from 46.4 in July. Readings below 50 signal contraction in industries that account for 90% of the world's largest economy.

- **The US economy lost fewer jobs in August** as unemployment climbed to a 26-year high, indicating the recovery from the worst recession since the 1930s will be slow to gain speed. Companies cut payrolls by 216,000 workers, after a 276,000 drop in July. The jobless rate rose to 9.7% from 9.4%.
- **Eurozone consumer prices dropped less than consensus forecast in August** as the economy recovered from the deepest slump in six decades. Prices fell 0.2% from the year-earlier month after declining a record 0.7% in July.
- **Eurozone manufacturing and service industries returned to growth in August** for the first time in over a year, suggesting the economy is gaining strength. A composite index of both industries rose to 50.4 from 47 in July, higher than initial estimate of 50 published on August 21. It also marks the gauge's first reading above 50, indicating expansion, in 15 months.
- **Eurozone unemployment rate rose to the highest in more than 10 years in July** as companies cut jobs to weather the worst recession in six decades. Unemployment in the 16-member euro region increased to 9.5% from 9.4% in June. That was the highest since June 1999.
- **Eurozone producer prices declined the most on record in July** as oil prices dropped and the worst recession in over six decades prompted companies to cut costs. Factory-gate prices in the euro region dropped 8.5% from a year earlier after declining a 6.5% in June. That's the biggest decline since the data series began in January 1981. Overall producer prices dropped 0.8% from June, when they rose 0.4%.
- **Eurozone consumer spending rose for the first time in more than a year in the second quarter and exports fell at a slower pace**, helping to ease the worst recession in more than 60 years. Household spending in the euro area increased 0.2% after declining 0.5% in the first quarter. Exports fell 1.1% after an 8.8% drop in the previous three months. Gross domestic product declined 0.1%, confirming an initial estimate published on August 13. The economy shrank 2.5% in the first quarter, the most since the euro-data were first compiled in 1995. From a year earlier, GDP dropped 4.7% in the second quarter after shrinking 4.9% in the first quarter. Euro-area GDP has declined for five straight quarters, the longest contraction since the data series started 14 years ago.
- **Eurozone retail sales declined for a 14<sup>th</sup> straight month in July** as rising unemployment prompted consumers to rein in spending. Store revenue in the 16-nation euro region declined 1.8% from a year earlier after sliding 2.0% in June. On the month, sales fell 0.2%.
- **The European Central Bank left interest rates at a record low** and may signal it's in no rush to withdraw emergency stimulus measures as the economy shows signs of recovering from its worst recession since World War II. The ECB kept the benchmark rate at 1.0%, as predicted by consensus.
- **Japan's industrial output grew for a fifth month in July** as global stimulus spending boosted export demand and manufacturers forecast the sector would gain momentum through the quarter. Factory output rose 1.9% in July from a 2.3% gain in June.
- **Japan's retail sales fell for an 11<sup>th</sup> month in July**, extending the longest losing streak since 2003, as poor weather and a worsening job market kept shoppers at home. Sales slid 2.5% y-o-y after a revised 2.9% contraction in June.
- **Japan's housing starts fell 32.1% in July** from the prior year, following a 32.4% fall in June. It was the eighth straight month of declines in housing starts as consumers grew cautious about spending due to deteriorating job and income conditions. The annualized housing starts came in at 746,000 in July, smaller than June's 749,000.
- **Japan's businesses cut spending for a ninth quarter as the global recession squeezed profits**, underscoring the challenge for the incoming government to sustain a recovery from the country's worst postwar slump. Capital spending excluding software fell 22.2% in the three months ended June from a year earlier, after dropping a record 25.4% in the previous quarter.

## UPCOMING RELEASE (7 -11 SEPT. 2009)

### US

- July Consumer Credit by Federal Reserve on September 9, 2009.
- July Trade Balance by US Census Bureau on September 10, 2009.
- August Import Price Index by Bureau of Labor on September 11, 2009.
- July Merchant Wholesalers Inventories by US Census Bureau on September 11, 2009.
- September Consumer Confidence by University of Michigan Survey Research on September 11, 2009.

### Japan

- July BOP Trade Balance by Ministry of Finance on September 8, 2009.
- July Merchandise Trade Balance Ministry of Economy, Trade and Industry on September 8, 2009.
- August Money Supply M2+CD by Bank of Japan (BOJ) on September 8, 2009.
- August Bankruptcies Cases by Tokyo Shoko Research Ltd on September 8, 2009.
- August Economy Watchers Survey by Economic & Social Research Institute (ESRI) on September 8, 2009.
- July Leading Economic Index by Economic and Social Research Institution (ESRI) on September 9, 2009.
- July Machinery Order by Economic and Social Research Institution (ESRI) on September 10, 2009.
- August Domestic Corporate Goods Price (CGPI) by BOJ on September 10, 2009.
- 2Q 2009 Gross Domestic Product (GDP) by Economic & Social Research Institute (ESRI) on September 11, 2009.
- August Consumer Confidence by Economic and Social Research Institution (ESRI) on September 11, 2009.

### Malaysia

- Foreign Reserves as at August 28, 2009 by Bank Negara Malaysia (BNM) on September 7, 2009.
- July External Trade Balance by Department of Statistics Malaysia (DOSM) on September 7, 2009.
- July Industrial Production Index (IPI) by Department of Statistics Malaysia (DOSM) on September 10, 2009.