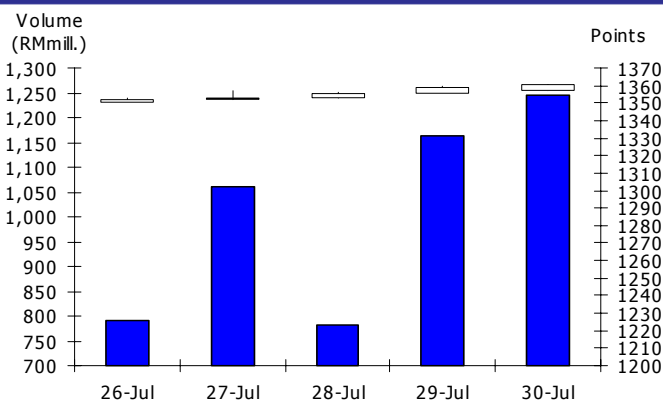


#### WEEKLY CLOSING IN MAJOR MARKET INDICES

	23-Jul	30-Jul	%wow	%ytd
KL Composite	1345.68	1360.92	1.1	6.9
Dow Jones	10424.62	10465.94	0.4	0.4
Nikkei 225	9430.96	9537.3	1.1	-9.6
DAX Index	6166.34	6147.97	-0.3	3.2
UK FTSE100	5312.62	5258.02	-1.0	-2.9
AUS ORD 30	4475.1	4507.4	0.7	-7.7
STI Index	2973.47	2987.7	0.5	3.1
Hang Seng	20815.33	21029.81	1.0	-3.9
SSE Index	2572.028	2637.502	2.5	-19.5

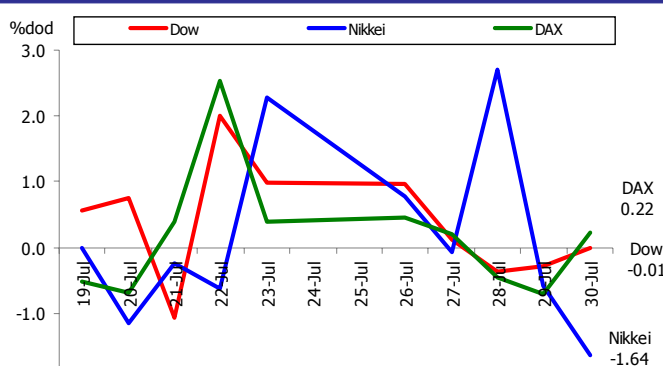
Source: Bloomberg, Bursa Malaysia

#### KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

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

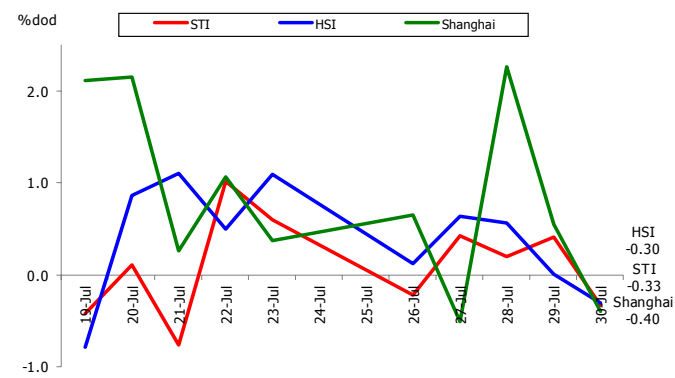


Source: Bloomberg, Bursa Malaysia

#### STOCK MARKET HIGHLIGHTS

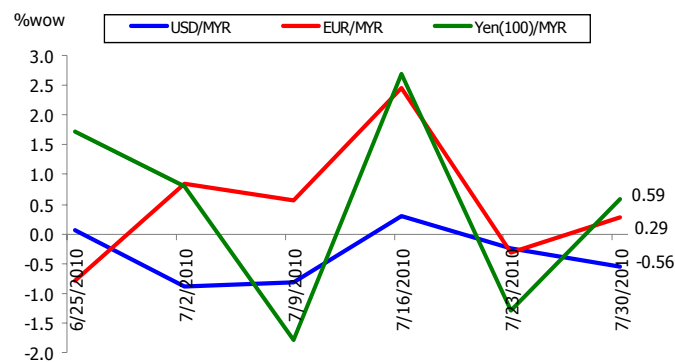
- Most U.S. stocks rose last week extending the biggest monthly gain in a year for the Standard & Poor's 500 Index, as higher-than-estimated consumer confidence and business activity tempered concern the economic rebound is slowing.** MetLife Inc. climbed 4.6% as the biggest U.S. life insurer topped income projections. McAfee Inc. had the biggest gain in the S&P 500, rising 9.4%, after the maker of security software reported second-quarter profit that beat analysts' estimates. Merck & Co. lost 1.7%, the second-most in the Dow Jones Industrial Average, after the drug maker's revenue missed the average analyst estimate. About five stocks advanced for every four that declined on U.S. exchanges. The S&P 500 rose less than 0.1% to 1,101.60 points, erasing a drop of as much as 1.2%. The Dow fell 1.22 points, or less than 0.1%, to 10,465.94.
- U.K. stocks dropped last week, extending the benchmark FTSE 100 Index's loss, after a report showed the U.S. economy grew less than forecast in the second quarter.** Royal Dutch Shell Plc and HSBC Holdings Plc led shares on the FTSE 100 lower after the U.S. government report showed growth in the world's largest economy slowed to a 2.4% annual rate in the second quarter. Shire, the Dublin-based drug maker, lost 2.4% as Sanford C. Bernstein & Co. cut its recommendation on the stock. The FTSE 100 fell 55.93, or 1.1%, to 5,258.02 points, bringing the gauge's decline last week to 1% and paring its 6.9% rally for the month.
- Japanese stocks fell after industrial production dropped unexpectedly and consumer prices declined more than estimated, raising concerns the nation's economic recovery will stall.** Kobe Steel Ltd., Japan's fourth-largest steel mill, tumbled 7.2% after the nation's factory output declined 1.5% in June. Asahi Glass Co., which makes glass for construction and automobiles, dropped 2.7%. Mitsubishi Estate Co., Japan's second-biggest developer by sales, led real-estate companies lower as its profit slumped on declining home sales. Nippon Express Co. plummeted 9.7% after the freight company slashed its profit outlook because of higher transport costs and write downs. Stocks also fell as the unemployment rate increased unexpectedly. For the week, the Nikkei and the Topix are up 1.1% and 1% respectively, their second straight weekly gains.
- Hong Kong stocks fell as investors took advantage of the benchmark index's biggest monthly gain in 10 months to sell, and as coal producers slid after Yanzhou Coal Mining Co. cut its profit growth estimate.** China Shenhua Energy Co., the nation's largest coal producer, declined 1.8%. Yanzhou Coal, the third-biggest Hong Kong-listed mainland coal supplier, dropped 1.2%. Brightoil Petroleum (Holdings) Ltd., a provider of marine bunkering services,

## REGIONAL STOCK INDICES (DAILY % CHANGE)



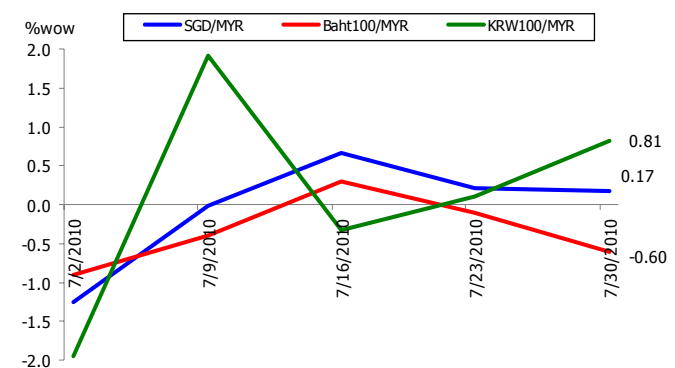
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



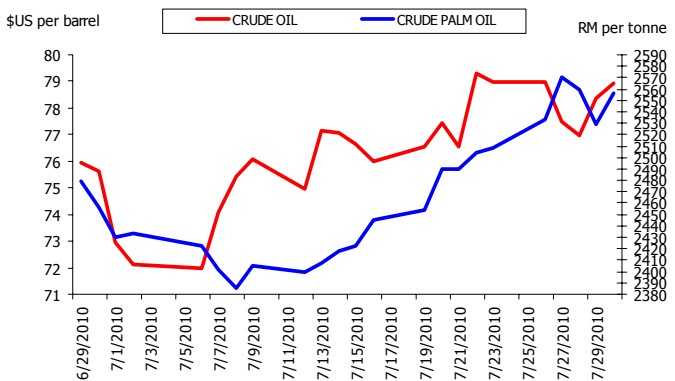
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

## CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

plunged 6.3% after saying it will issue new shares. The Hang Seng Index closed at 21,029.81 last Friday. The Hang Seng Index has fallen 3.9% this year as China's efforts to cool its property market and Europe's debt crisis dented confidence in a global economic recovery. Stocks on the gauge trade at 13.9 times estimated earnings, Bloomberg data show, down from 17.2 times at the beginning of the year.

- China's stocks dropped, paring the benchmark index's biggest monthly advance in a year, on concern recent gains were excessive relative to earnings prospects.** Yanzhou Coal Mining Co., the listed unit of China's fourth-biggest coal miner, slumped 3% after cutting its earnings growth forecast. Northeast Securities Co. slid 1.2% after net income fell. Aluminum Corp. of China Ltd., the nation's biggest producer of the metal, rose the most in more than four months after agreeing to buy a stake in Rio Tinto Group's Simandou iron ore project in Guinea. The Shanghai Composite Index, which tracks the bigger of China's stock exchanges, lost 10.61, or 0.4%, to 2,637.50 points. The Shanghai index rallied 10% in July, the most since July last year when it gained 15%, on expectations the government will ease property curbs and allow more lending to offset a slowdown in economic growth. The measure is still down 20% in 2010 on concern measures to control real-estate speculation and accelerating inflation will damp earnings.
- The FBM KLCI closed higher for the sixth straight day on Friday, helped by last minute buying in selected heavyweights and rotational plays on lower liners.** At the close, the FBM KLCI rose 2.51 points or 0.19% to close at a new two-year high of 1,360.92. The benchmark index opened 0.90 point lower at 1,357.51 in the morning and traded within 1,354.76 and 1,360.92. The local market started the day in a negative note as players took cue from the overnight slip on Wall Street. However, continued buying in selected blue chips such as Sime Darby in the afternoon session helped the key index to finish the day in positive territory. Among heavyweights, Maybank rose 4 sen to RM7.74 while CIMB Group declined 5 sen to RM7.40. Sime Darby gained 11 sen to RM7.80 while Maxis shed 2 sen to RM5.29.

## ECONOMIC HIGHLIGHTS

- U.S.: Sales of U.S. new homes rose in June more than forecast** following an unprecedented collapse the prior month, a signal the worst of the slump triggered by the end of a government tax credit is over. Purchases increased 24% from May to an annual pace of 330,000. The rate was the second-lowest in data going back to 1963 after May's downwardly revised 267,000 pace. (Bloomberg)
- U.S.: American consumers lost confidence in July**, shaken by mounting concern over jobs and wages that threaten to constrain the economic recovery. The Conference Board's sentiment index fell to 50.4, below the median forecast of economists surveyed by Bloomberg News and the lowest level in five months. (Bloomberg)
- US: Business investment in the U.S. picked up in the second quarter, helping sustain the economic recovery, June data on durable goods showed.** Orders for non-military capital equipment excluding aircraft climbed 0.6% last month after jumping 4.6% in May, more than previously reported, figures from the Commerce Department showed in

Washington. Sales of such gear, used in calculating gross domestic product, also rose. Economists forecast total orders would climb 1%, according to the median of 76 projections in a Bloomberg News survey. *(Bloomberg)*

- **U.K.: Growth fastest for four years.** The economy expanded at its fastest rate in four years in the second quarter, bolstering the government's case that it is strong enough to withstand the austerity measures laid out in the emergency Budget. The Office for National Statistics said that at a preliminary estimate, gross domestic product expanded by 1.1% in the second quarter of 2010 and almost double the consensus 0.6% growth predicted by economists. In the first three months output grew by 0.3%. *(Financial Times)*
- **U.K.: House price balance falls 0.1% in July-Hometrack.** The average asking price for a home in the United Kingdom was down 0.1% in July compared to the previous month, property Web site Hometrack said on Monday, falling for the first time in 15 months following the 0.1% increase in June. On an annual basis, prices were up 2.0% in July after rising 2.1% a month earlier. The number of new buyers was down 1.3%, the data showed, while new properties entering the market rose 3.6%. Sellers are also receiving 94% of their asking price, down from 94.3% in June. *(RTT News)*
- **E.U.: Loans to households and companies in Europe grew at the fastest pace in 20 months in June** after the economic recovery gathered steam. Loans to the private sector rose 0.3% from a year earlier after growing 0.2% in May. That's the strongest increase since October 2008. M3 money supply, which the ECB uses as a gauge of future inflation, increased an annual 0.2% in June after contracting 0.1% in May. *(Bloomberg)*
- **EU: Inflation in Germany, Europe's largest economy, accelerated more than expected in July after prices for energy and fresh food rose.** The inflation rate, calculated using a harmonized European Union method, rose to 1.2% from 0.8% in June. Economists forecast a reading of 1.1%, the median of 18 estimates in a Bloomberg News survey shows. Consumer prices rose 0.3% from the previous month. In June, import prices jumped an annual 9.1%, the most in a decade. *(Bloomberg)*
- **E.U.: European confidence in the economic outlook rose to the highest in more than two years in July** and German unemployment declined for a 13th month as exports sustained a recovery in the region. An index of executive and consumer sentiment in the 16 euro nations increased to 101.3 from 99 in June. *(Bloomberg)*
- **Japan: Posts Y687.0 billion surplus in June.** Japan saw a merchandise trade surplus of 687.0 billion yen in June, the Ministry of Finance said on Monday. That was roughly in line with analyst expectations for a surplus of 690.9 billion yen following the revised 320.9 billion yen surplus in May. Exports climbed 27.7% on year, topping expectations for a 23.5% annual increase after the 32.1% surge in the previous month. Imports jumped 26.1% on year, slightly above forecasts for a 24.7% annual rise

following the 33.4% jump a month earlier. The adjusted trade balance showed a surplus of 456.0 billion yen, well below expectations for a 539.0 billion yen surplus after the revised 320.2 billion yen surplus in May. *(RTT News)*

- **Japan: Corporate service prices fell for a 21st month in June,** the central bank said. The prices firms pay for services such as transportation and advertisements slid 1% from a year earlier, the Bank of Japan said today in Tokyo. *(Bloomberg)*
- **Japan: Japan's retail sales growth improved in June after the biggest slowdown in more than a year, supporting the central bank's assessment that the economic recovery is intact.** Sales increased 3.2% from a year earlier, the sixth straight gain, helped by demand for cars, gasoline and clothes, the Trade Ministry said today in Tokyo. The result matched the median estimate of 14 economists surveyed by Bloomberg News. The figures may provide a boost to the economy as demand from abroad shows signs of waning. *(Bloomberg)*

## UPCOMING RELEASE (2-6 AUGUST 2010)

### US

- July ISM Manufacturing by Institute for Supply Management on August 2, 2010.
- June Personal Income by Department of Commerce on August 3, 2010.
- June Personal Spending by Bureau of Economic Analysis on August 3, 2010.
- June Existing Home Sales by National Associate of Realtors on August 3, 2010.
- Weekly Mortgage Applications by Mortgage Bankers Association on August 4, 2010.
- Weekly Initial Jobless Claims by Department of Labor on August 5, 2010.

### Eurozone

- July Producer Price Index (PPI) by Eurostat on August 2, 2010.
- June Retail Sales and Volume by Eurostat on August 4, 2010.
- Announcement of ECB Interest Rates by European Central Bank (ECB) on August 5, 2010.

### Japan

- July Monetary Base Average Outstanding by Bank of Japan on August 2, 2010.
- July Official Reserve Assets by Ministry of Finance on August 5, 2010.
- June Coincident Index by Economic & Social Research Institute on August 5, 2010.
- June Leading Economic Index by Economic and Social Research Institution (ESRI) on August 5, 2010.

### China

- July PMI Manufacturing by China Federation of Logistics on August 2, 2010.

### Malaysia

- June External Trade Balance by Department of Statistics Malaysia (DOSM) on August 3, 2010.
- Foreign Reserves as at July 30, 2010 by Bank Negara Malaysia (BNM) on August 6, 2010.