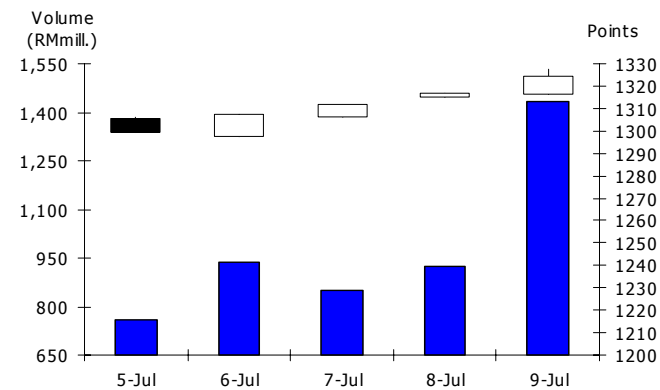


WEEKLY CLOSING IN MAJOR MARKET INDICES

	2-Jul	9-Jul	%wow	%ytd
KL Composite	1307.44	1324.31	1.3	4.0
Dow Jones	9686.48	10198.03	5.3	-2.2
Nikkei 225	9203.71	9585.32	4.1	-9.1
DAX Index	5834.15	6065.24	4.0	1.8
UK FTSE100	4838.09	5132.94	6.1	-5.2
AUS ORD 30	4264.9	4414.5	3.5	-9.6
STI Index	2844.19	2917.17	2.6	0.7
Hang Seng	19905.32	20378.66	2.4	-6.8
SSE Index	2382.901	2470.923	3.7	-24.6

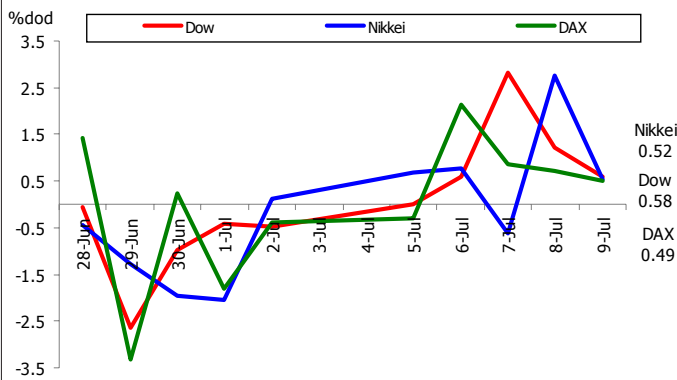
Source: Bloomberg, Bursa Malaysia

KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

MAJOR STOCK INDICES (DAILY % CHANGE)

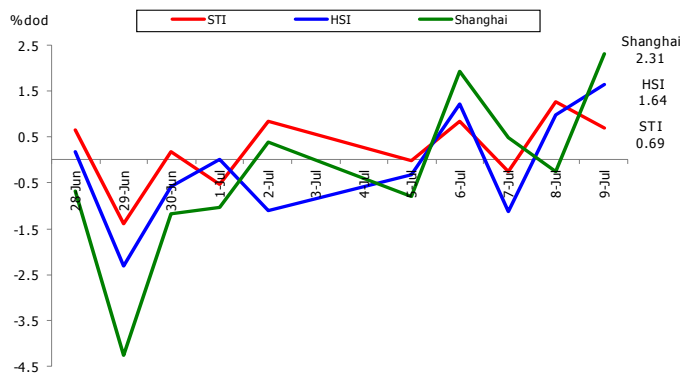


Source: Bloomberg, Bursa Malaysia

STOCK MARKET HIGHLIGHTS

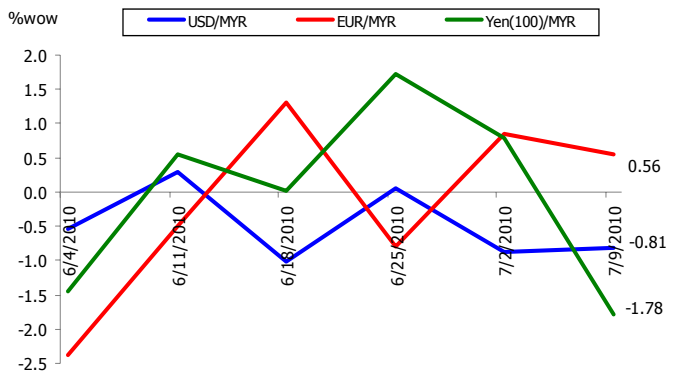
- U.S. stocks advanced last week, sending the Standard & Poor's 500 Index to the biggest weekly gain in a year, amid optimism about earnings reports and a rally in metals that drove up shares of its producers.** Alcoa Inc., the first Dow Jones Industrial Average company to post second-quarter results July 12, rose 2.1%. Bank of America Corp. and JPMorgan Chase & Co., which also report quarterly numbers this week, jumped more than 1.6%. Google Inc. rallied 2.4% as China renewed its Internet license, while rival Baidu Inc. slid 1.7%. The S&P 500 rose 0.7% to 1,077.96 giving it a 5.4% rally in a week shortened by Monday's Independence Day holiday. The Dow gained 59.04 points, or 0.6%, to 10,198.03. Both gauges had the biggest weekly rally since July 17. Fewer than 6.7 billion shares traded on U.S. exchanges last Friday, the lowest volume of the year.
- U.K. stocks rose on Friday, sending the benchmark FTSE 100 Index to its biggest weekly gain in a year, as investors speculated that equity prices already reflect the possible risks to the economic recovery.** Rio Tinto, the world's third-biggest mining company, rose 3.2% as metals prices advanced. BT Group Plc rallied 2.9% after agreeing a pay deal with workers. William Hill Plc gained 1.9% after Bank of America Corp. recommended buying the shares. The FTSE 100 climbed 27.49, or 0.5%, to 5,132.94, its fourth straight gain. The gauge has rallied 6.1% this week on optimism the world economy won't slip back into recession and that Europe's banks will pass stress tests imposed by regulators.
- Japanese stocks rose, driving the Nikkei 225 Stock Average to its biggest weekly gain this year, after a drop in U.S. jobless claims stoked optimism in the global economy.** Sony Corp., an electronics maker that gets 21% of its revenue from the U.S., gained 0.9%. Komatsu Ltd., a maker of earthmoving machines that gets about 22% of its sales from China, climbed 2% on speculation China's government will wind back steps to curb property prices. Inpex Corp., Japan's biggest oil explorer, plunged 13% on plans to sell shares. Banks declined ahead of a stock sale by Mizuho Financial Group Inc. The Nikkei 225 rose 0.5% to 9,585.32 at the close of trading in Tokyo, reversing a 0.2% drop. The broader Topix index was little changed at 861.21, with about eight stocks advancing for every seven that declined. The Nikkei jumped 4.1% last week, the most since the week ended Dec. 4. The Nikkei 225 has tumbled 9.1% this year as Europe's deficit crisis and China's measures to curb real-estate prices fueled concern about global economic growth.
- Hong Kong stocks rose on Friday, lifting the benchmark index to its biggest weekly gain in three months, as lower U.S. jobless claims fueled confidence in the world's biggest economy.** Developers gained on speculation Chinese

REGIONAL STOCK INDICES (DAILY % CHANGE)



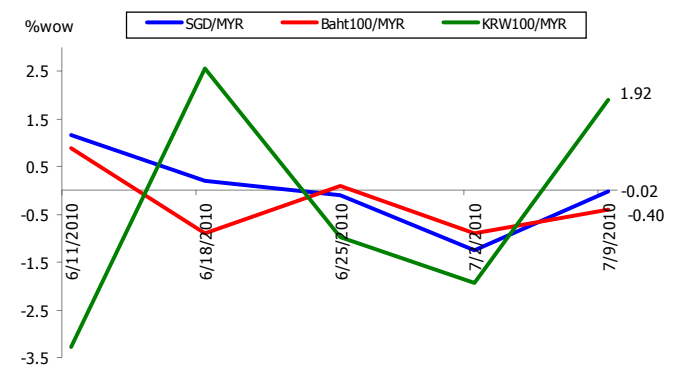
Source: Bloomberg, Bursa Malaysia

RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



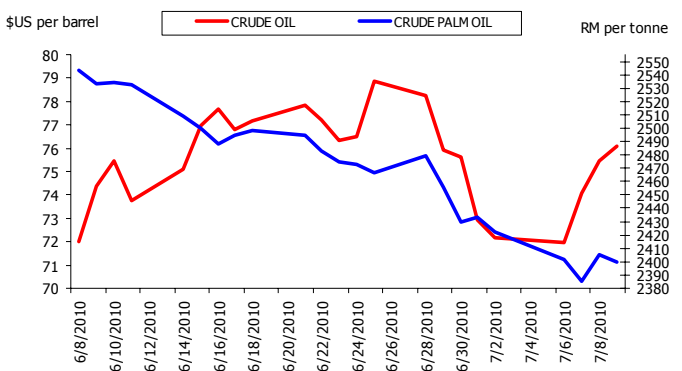
Source: Bloomberg, Bursa Malaysia

RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

banks will boost lending for home purchases. Li & Fung Ltd., the largest supplier to retailers including Wal-Mart Stores Inc., jumped 7.4% after announcing acquisitions. China Resources Land Ltd. led a rally among mainland property companies after the Oriental Morning Post said some banks have resumed providing loans for third-home purchases. China Shenhua Energy Co. increased 1.8% after Citigroup Inc. recommended investors buy the stock. The Hang Seng Index climbed 1.6% to close at 20,378.66, extending its gain last week to 2.4%. That's the measure's biggest weekly advance since the period ended April 9.

- **China's stocks rose, with the benchmark index capping its biggest weekly gain this year, on speculation the government will wind back tightening measures that helped make the gauge Asia's worst performer in 2010.**

The Shanghai Composite Index climbed 3.7% for the week ended. Poly Real Estate Co. paced gains by developers after the central bank said it will stick to a moderately loose monetary policy and the Oriental Morning Post reported some Shanghai banks have resumed lending to third-home buyers. PetroChina Co. and Yanzhou Coal Mining Co. led an advance by energy producers, China's worst performers this year. The Shanghai Composite, which tracks the bigger of China's stock exchanges, climbed 55.77, to close at 2,470.92.

- **Malaysian shares finished the week on a positive note Friday with sentiment boosted by the uptrend on Wall Street and confidence over economic growth.** The FBM KLCI rose by 8.28 points to close at 1,324.31. It opened 0.13 point better at 1,316.16. The key index moved between 1,315.88 and 1,327.27 throughout the day. Banking stocks gained the most after the increase in the Overnight Policy Rate by 25 basis points to 2.75% on Thursday. In heavyweights, Maxis rose 1 sen to RM5.31, Tenaga increased 3 sen to RM8.45 and IOI Corp advanced 4 sen to RM5.10. Sime Darby, however, fell 1 sen to RM7.71.

ECONOMIC HIGHLIGHTS

- **U.S.: ISM non-manufacturing index in U.S. fell to 53.8 in June.** Service industries in the U.S. expanded in June at a slower pace than forecast, indicating the economy was beginning to cool entering the second half. The Institute for Supply Management's index of non-manufacturing businesses, which covers about 90% of the economy, fell to a four-month low of 53.8 from 55.4 in May. The June figure was less than the median forecast of 55 in a Bloomberg News survey. Readings above 50 signal expansion. Orders slowed for a third month and employment declined. (Bloomberg)

- **U.S.: Factory orders fall by much more than expected in May.** After reporting eight consecutive monthly increases in new orders for manufactured goods, the Commerce Department released a report Friday showing that factory orders fell by much more than expected in the month of May. The report showed that factory orders fell by 1.4% in May following a downwardly revised 1.0% increase in April. Economists had expected a more modest decrease in orders of about 0.6% compared to the 1.2% growth originally reported for the previous month. (RTT News)

- **U.K.: Inflation in Great Britain slowed slightly in June,** according to the latest report from the British Retail Consortium. The BRC said Wednesday that overall shop price

inflation was 1.5% in June compared to the May reading of 1.8%. Food price inflation was 1.7% in June, down from 2.2% in May. Non-food inflation fell to 1.4% in June from 1.6% in May. (RTT News)

- **E.U.: Eurozone retail sales rise slightly in May after declining sharply in April.** The increase was led by a pick-up in sales of food, drinks and tobacco and non-food sales. Retail sales rose 0.2% month-on-month in May, data released by European Union statistical agency Eurostat showed Monday. This was slightly smaller than the expected 0.3% increase. Meanwhile, the statistical agency revised April's decline to 0.9% from 1.2%. On an annual basis, retail sales recorded an unexpected growth of 0.3% after decreasing 0.5% in April. Economists were expecting sales to drop 0.3%. (RTT News)
- **E.U.: Eurozone private sector activity weakens further.** Flash Eurozone composite output index, that combines manufacturing and services purchasing managers' indexes, fell to a three-month low of 56 in June from 56.4 in May, survey data released by the Markit Economics showed Monday. However, that was better than its long-term average of 53.4. A reading above 50 suggests expansion in the sector, while below 50 indicates contraction. (RTT News)
- **E.U.: ECB keeps rates unchanged.** The European Central Bank left its key interest rate on hold for the fourteenth consecutive month in July as the region's banks face stress tests to ensure the stability of the financial system that is threatened by investor fears about debt. At the meeting held in Frankfurt, the Governing Council, led by President Jean-Claude Trichet, retained the key interest rate at 1%. The last change in the rate was in May 2009, when the bank cut the rate by 25 basis points to the current level of 1%. The bank had lowered the key interest rate by a total of three and a quarter percentage points since early October 2008. The central bank also maintained interest rates on marginal lending facility and deposit facility at their current levels of 1.75% and 0.25%, respectively. (RTT News)
- **Japan: May core machinery orders -9.1% on month.** Core machinery orders in Japan plunged a seasonally adjusted 9.1% in May compared to the previous month, the Cabinet Office said on Thursday sharply below expectations for a 3.0% monthly decline after collecting 4.0% in April. Core manufacturing orders were down 6.0% on month, while government orders plummeted 26.8% overseas orders added 2.7% and orders from agencies declined 17.9%. Total machine orders, including volatile ones for ships and electric power companies, were down 10.8% on month. On an annual basis, core machinery orders were up 4.3% - again below forecasts for a 10.8% gain after collecting 9.4% in the previous month. (RTT News)
- **Japan: Current account surplus 1.205 trillion Yen in May.** Japan posted a current account surplus of 1.205 trillion yen in May, the Ministry of Finance said on Thursday. That was below expectations for a surplus of 1.317 trillion yen following the 1.242 trillion yen surplus in April. The adjusted current account saw a surplus of

904.8 billion yen - again missing forecasts for a surplus of 1.199 trillion yen after showing a 1.379 trillion yen surplus in the previous month. (RTT News)

- **Japan: June bank lending -2.1% on year.** Bank lending in June was down 2.1% on year in June, the Bank of Japan said on Thursday, standing at 394.43 trillion yen. Lending was also down 2.1% in May. (RTT News)
- **China: Car output up 44.3% To 8.47 million units** in the first half of the year, maintaining its position as the world's top car-producing country. Passenger car output grew by 10.32% to 956,100 units in June with sales up 10.9% from a year earlier to 839,228 units. Output of commercial vehicles in June rose by 18.73% to 338,100 units. Total cars imported from January to May rose by 174.14% to 319,900 units when compared with the same period last year. (The Star)
- **Malaysia: Bank Negara Malaysia has decided to raise the overnight policy rate (OPR) by 25 basis points to 2.75%.** The floor and ceiling rates of the OPR corridor are correspondingly raised to 2.50% and 3.00% respectively, the central bank said in a statement Thursday. "The Monetary Policy Committee considers the new level of the OPR to be appropriate and consistent with the current assessment of the growth and inflation prospects," Bank Negara said. (Bernama)
- **Malaysia: The Industrial Production Index (IPI) rose 12.5% in May 2010** to 110.2 from a year ago and was 3.3% higher when compared to preceding April. On a cumulative basis, the index for the period of January-May 2010 gained 11.3% from the same period of 2009. In a statement today, the Statistics Department said the year-on-year increase was due to increases in the indices of key sectors of manufacturing (18.7%) and electricity (11.5%). The mining index posted a decrease of 0.2%. (Bernama)
- **Malaysia: Manufacturing sales grew 19.9% in May to RM44.1 billion from RM36.8 billion a year ago** and was higher by 2.6% when compared to the preceding April's sales of RM43.0 billion. On a cumulative basis, the sales value of the manufacturing sector from January to May this year, posted a double-digit growth of 22.3% to RM216.7 billion. The Statistics Department said in a statement here today that the year-on-year increase was generated by growth in the sales value of 68 industries (58.6%) out of 116 industries covered in its survey. (Bernama)
- **Malaysia: Bank Negara Malaysia's international reserves amounted to RM309.8 billion (equivalent to US\$94.8 billion), as at June 30.** The reserves level as at June 30, took into account, the quarterly adjustment for foreign exchange revaluation loss. The central bank said this is following the strengthening of the ringgit against most major currencies during the quarter. The reserves position is sufficient to finance 8.1 months of retained imports and is 4.4 times the short-term external debt. (Bernama)

- **Malaysia: International Trade and Industry Minister Datuk Seri Mustapa Mohamed said total exports, year-on-year, recorded an increase of 21.9% or RM52.3 billion** while imports rose by 34.2% to RM44.15 billion. During the period, total trade expanded by 27.2% to RM96.45 billion, he said in a preliminary release from the ministry Friday. On a month-on-month basis, exports and imports rose by 0.5% and 3.3% respectively, increasing the total trade by 1.8%, Mustapa said. *(Bernama)*

UPCOMING RELEASE (12-16 JULY 2010)

US

- May Trade Balance by US Census Bureau on July 13, 2010.
- July Consumer Confidence by Conference Board on July 13, 2010.
- Weekly Mortgage Applications by Mortgage Bankers Association on July 14, 2010.
- June Advance Retail Sales by US Census Bureau on July 14, 2010.
- June Producer Price Index (PPI) by Processing Stage Finished Goods by Bureau of Labor Statistics on July 14, 2010.
- Weekly Initial Jobless Claims by Department of Labor on July 15, 2010.
- June Industrial Production Index (IPI) by Federal Reserve on July 15, 2010.
- June Consumer Price Index (CPI) by Bureau of Labor Statistics on July 16, 2010.

Eurozone

- June Consumer Price Index (CPI) by Eurostat on July 14, 2010.
- May Industrial Production Index (IPI) by Eurostat on July 14, 2010.
- May New Passenger Car Registrations by ACEA on July 15, 2010.
- May Trade Balance by Eurostat on July 16, 2010.

Japan

- May Industrial Production Index (IPI) by Ministry of Economy, Trade and Industry on July 13, 2010.
- June Consumer Confidence by Economic and Social Research Institution (ESRI) on July 13, 2010.
- June Machine Tool Orders by Japan Machine Tool Builder's Association on July 15, 2010.
- May Tertiary Industry Activity Index by Ministry of Economy, Trade and Industry on July 16, 2010.

China

- 2Q10 Real Gross Domestic Product by National Bureau of Statistics on July 14, 2010.
- June Producer Price Index by National Bureau of Statistics on July 14, 2010.
- June Consumer Price Index by National Bureau of Statistics on July 14, 2010.
- June Retail Sales by National Bureau of Statistics on July 14, 2010.
- June Industrial Production Index by National Bureau of Statistics on July 14, 2010.