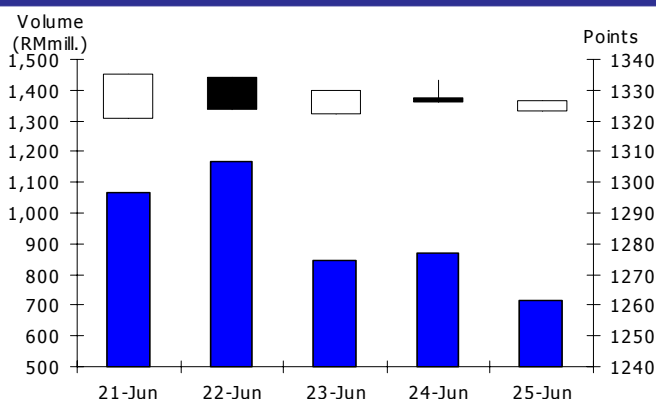


#### WEEKLY CLOSING IN MAJOR MARKET INDICES

	18-Jun	25-Jun	%w/w	%ytd
KL Composite	1,317.69	1326.45	0.7	4.2
Dow Jones	10,450.64	10143.81	-2.9	-2.7
Nikkei 225	9,995.02	9737.48	-2.6	-7.7
DAX Index	6,216.98	6070.6	-2.4	1.9
UK FTSE100	5,250.84	5046.47	-3.9	-6.8
AUS ORD 30	4,574.10	4439.4	-2.9	-9.1
STI Index	2,833.40	2851.64	0.6	-1.6
Hang Seng	20,286.71	20690.79	2.0	-5.4
SSE Index	2,513.22	2552.817	1.6	-22.1

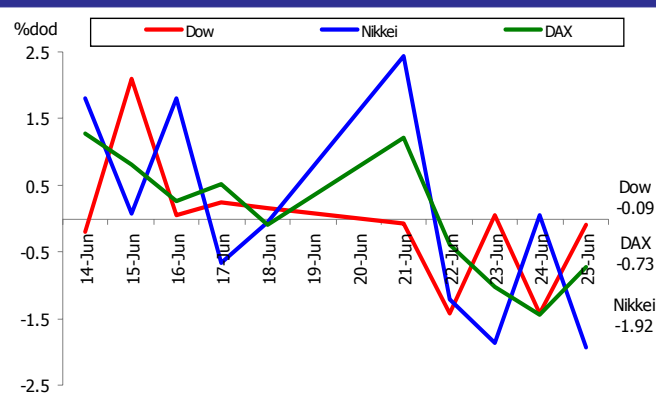
Source: Bloomberg, Bursa Malaysia

#### KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

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

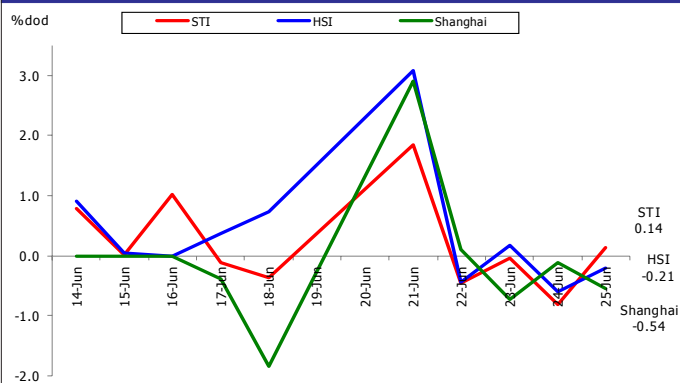


Source: Bloomberg, Bursa Malaysia

#### STOCK MARKET HIGHLIGHTS

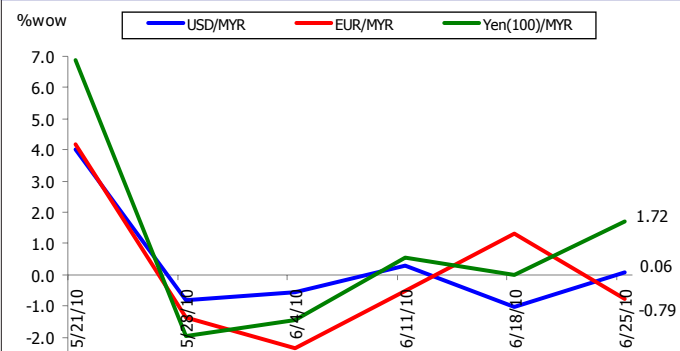
- U.S. stocks fell last week, after noting that new-home sales sank to a record low and the Federal Reserve said European indebtedness may harm American growth.** Banks surged on Friday, paring the S&P 500's weekly drop, after Congress scaled back a financial-reform bill. Microsoft Corp., Chevron Corp. and General Electric Co. led the Dow Jones Industrial Average lower with losses exceeding 6.5% last week. Anadarko Petroleum Corp. helped send energy shares to the biggest loss among 10 industries in the S&P 500, while BP Plc fell 15%, after the Obama administration said it would appeal a ruling that lifted a moratorium on deepwater drilling. The S&P 500 fell 3.7%, the most since the period that ended May 21, to 1,076.76 last week. The Dow retreated 306.83 points or 2.9% to 10,143.81 after new-home sales in May slowed to an annual pace of 300,000.
- The FTSE 100 Index completed a so-called death cross, a bearish signal that may foreshadow a further drop in the benchmark gauge for U.K. stocks.** Last week's decline has pulled the index's 50-day moving average down to 5,314.15, below the 200-day moving average of 5,328.31. The last time the FTSE 100 formed a death cross pattern, where the 50-day average drops below the 200-day average, was in December 2007, as U.K. stocks began a 45% slump through March 2009. BP tumbled 4.6% amid concern hurricanes may hamper efforts to clean up its oil spill in the Gulf of Mexico and as Nomura Inc. said the company may have to raise money to face liabilities from the leak. Kazakhmys Plc and Antofagasta Plc lost more than 3%. The FTSE 100 fell 1.1% to 5,046.47 on Friday, bringing the week's loss to 3.9%.
- Japanese stocks fell on Friday, dragging down the Topix index for the week, as analyst rating cuts and U.S. profit forecasts raised concern about the strength of the recovery in the economy and earnings.** Canon Inc., a camera maker that gets about 80% of its revenue outside Japan, tumbled 4.5% after Credit Suisse Group AG cut its investment rating. Tokyo Electron Ltd., the world's second-largest maker of semiconductor equipment, plunged 5.6% on brokerage downgrades and after Dell Inc. forecast profit that was less than some analysts estimated. Mizuho Financial Group Inc. dropped 1.3% on speculation it will sell new shares. The Nikkei 225 Stock Average fell to 9,737.48 at Friday's close in Tokyo, the biggest decline among equity benchmarks in the Asia-Pacific region. The gauge closed below 10,000 for the sixth consecutive week. For the week, the Nikkei has dropped 2.6%, and the Topix is down 2%.
- Hong Kong stocks fell last week, paring the benchmark index's longest weekly winning streak in more than a year, as U.S. companies' worse-than-estimated profit forecasts heightened concerns about growth in the**

## REGIONAL STOCK INDICES (DAILY % CHANGE)



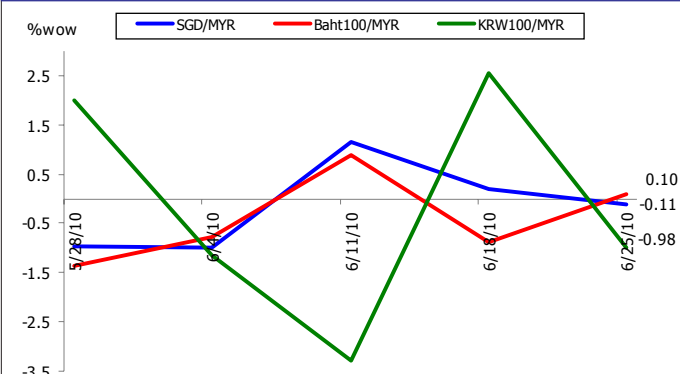
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



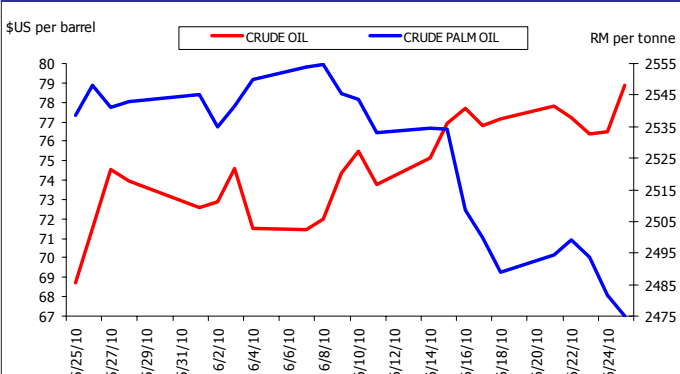
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

## CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

**world's largest economy.** Cosco Pacific Ltd., Asia's third-biggest container-terminal operator, slid 3.6%. China Minsheng Banking Corp., the nation's first privately owned lender, declined 2.2% after the China Daily said Chinese local government debt may depress banking industry profitability. Zhongyu Gas Holdings Ltd. sank 16% after the piped-gas distributor posted a first-quarter loss. The Hang Seng Index retreated 0.2% to close at 20,690.79, paring its gains last week to 2%. That's the measure's fifth straight weekly advance, its longest winning streak since the six weeks ended April 17, 2009. The Hang Seng Index has dropped 5.4% this year as worries about budget deficits in Europe and credit tightening by China dented confidence in the strength of the global economy.

- China's stocks fell, led by brokerages and industrial companies, on concern slowing economic growth will erode corporate earnings. The slump in trading has coincided with a 22% plunge in the Shanghai Composite this year, Asia's worst performer, on concern government measures to rein in housing prices and the European debt crisis will damp economic growth.** Citic Securities Co. and Haitong Securities Co. dropped at least 1.8% after stock trading values slid to the lowest in 18 months. Angang Steel Co. lost 1.7% and Anhui Conch Cement Co., China's biggest maker of the building material, slid 1.9%. SAIC Motor Corp. rose 1.7% on plans to raise funds to expand in the world's biggest auto market. The Shanghai Composite Index, which tracks the bigger of China's stock exchanges, retreated 13.93, or 0.5%, to 2,552.82 at the close. The Shanghai gauge gained 1.6% last week after the central bank said it will increase the flexibility of the nation's exchange rate.
- The Bursa Malaysia Composite Index extended last week's technical rebound. It had since stayed above its psychological resistance of 1,300 when it closed at 1,326.45 points last Friday gaining 0.7% for the week.** Share prices on Bursa Malaysia ended slightly lower after a range-bound trade on Friday with most investors reducing their holdings, particularly in mid- and large-cap stocks, which pulled the benchmark index down 0.3%. However, some bargain-hunting activities on blue chips like Public Bank, Genting and IOI Corporation helped limit losses.

## ECONOMIC HIGHLIGHTS

- U.S.: Home sales in U.S. probably waned after tax credit as manufacturing grew.** The housing market began to retrench in May after a government incentive ended; leaving manufacturing at the head of the U.S. recovery, economists said reports this week will show. Sales of new homes fell 19% to a 410,000 annual pace last month, according to the median estimate of 57 economists surveyed by Bloomberg News before a Commerce Department report June 23. Orders for durable goods may show gains in business investment and overseas sales boosted demand for capital equipment like computers and machinery. (Bloomberg)
- U.S.: Purchases of U.S. existing homes unexpectedly dropped in May.** Sales of U.S. previously owned homes unexpectedly fell in May as demand began to slip even before a government tax credit expires. Purchases of

existing houses, which are tabulated when a contract closes, decreased 2.2% to a 5.66 million annual rate, figures from the National Association of Realtors showed today in Washington. To receive a government incentive worth as much as \$8,000, buyers must have signed contracts by the end of April and need to complete deals by the end of this month. (*Bloomberg*)

- **U.S.: Durables orders minus transportation rose 0.9%.** Orders for durable goods excluding transportation rose in May for the third time in four months, indicating U.S. manufacturing will help maintain the recovery. The 0.9% increase in bookings for goods meant to last at least three years, excluding autos and aircraft, followed a 0.8% decrease in April, figures from the Commerce Department showed today in Washington. Total orders dropped for the first time in six months as demand for planes retreated. (*Business Week*)
- **U.S.: Growth revised downwards, to 2.7%.** The government lowered its estimate of how much the economy grew in the first quarter of 2010, noting that consumers spent less than it previously thought. The country's gross domestic product rose by an annual rate of 2.7% for January through March, the Commerce Department said on Friday. That was less than the 3% estimate for the quarter that the government released last month. It was much slower than the 5.6% pace in the previous quarter. (*NY Times*)
- **E.U.: Eurozone consumer confidence improves slightly in June.** Consumer confidence in the Eurozone improved slightly in June after a sharp drop in May, official data indicated Tuesday. The consumer confidence index rose to minus 17.3 in June from a revised minus 17.8 in May, a flash estimate by the European Commission showed. According to earlier data, the confidence indicator for May stood at minus 17.5. Meanwhile, economists had expected the indicator to show a further deterioration by falling to minus 19. The slight increase this month, however, could not reverse the sharp drop in confidence in May, which was largely influenced by sovereign debt problems. (*RTT News*)
- **E.U.: Eurozone balance of payments back in deficit.** The eurozone's balance of payments slipped back into the red in April to show a deficit of 5.1 billion euros (6.3 billion dollars), the European Central Bank said on Tuesday. In March, the balance of payments, an overall measure of all current payments into and out of a country or region, posted a surplus of 1.5 billion euros, revised data from the ECB showed, the first surplus since last July. The figures are often revised sharply higher or lower, and the March figure was initially reported as a surplus of 1.7 billion euros. A breakdown of the data showed that seasonally-adjusted exports fell to 124.5 billion euros in April from 126.5 billion in March, marking the first drop since last August. Imports were unchanged at 123.2 billion euros, which meant the eurozone's trade surplus fell to 1.3 billion euros in April from 3.4 billion in March. (*AP*)
- **Japan: Raises growth forecast to 2.6%.** Japan's economy, the world's second largest, will expand at a faster pace in the current fiscal year than previously forecast as robust exports to Asia and improving corporate

earnings are underpinning a broadening recovery. The Cabinet Office said Tuesday that Japan's gross domestic product will rise 2.6 % in the year to March 2011, faster than an earlier estimate of 1.4%. GDP represents the total value of a nation's goods and services. (*AP*)

- **Japan: Corporate service prices fall 0.8% in May.** An index measuring corporate service prices in Japan declined 0.8% year on year in May, the Bank of Japan said on Thursday, coming in at 97.4. That follows a 1.1% annual contraction in April. On a monthly basis, prices were down 0.1% after shedding 0.4% in April. Advertising prices were up in May, as were prices for leasing, other services, transportation, financial services and communications. Real estate prices were flat. (*RTT News*)
- **Japan: May trade surplus Y324.2 billion.** Japan posted a merchandise trade surplus of 324.2 billion yen in May, the Ministry of Finance said on Thursday. That was well below analyst expectations for a 480 billion yen surplus following the revised 740.5 billion yen surplus in April. (*RTT News*)
- **Japan: Core CPI -1.2% in May.** Core inflation in Japan was down 1.2% on year in May, the Ministry of Internal Affairs and Communications said on Friday. That was roughly in line with analyst expectations for a 1.3% annual contraction following the 1.5% fall in April. Overall inflation eased 0.9% on year versus forecasts for a 1.1% decline after the 1.2% fall in the previous month. On a monthly basis, inflation added 0.1%. (*RTT News*)
- **Malaysia: The consumer price index (CPI) in May rose by 1.6% from a year ago,** its sixth straight month of positive numbers. The Statistics Department said that CPI rose by 0.3% in May from April on a seasonally unadjusted basis. The annual data was higher than the median forecast of 1.5% in a Reuter's poll of 13 economists. April CPI rose by 1.5%. Economists expect the index to remain positive but subdued for the rest of the year. (*Reuters*)
- **Malaysia: Vehicle sales rose again in May 2010, with the year-on-year volume up 16% to 50,845 units from 43,985 units,** said the Malaysian Automotive Association (MAA). In a statement on Friday, MAA said for January-May period, sales rose by 20% to 247,072 units compared with 206,060 units in the same period of last year. MAA cited the continued favourable market conditions and the increase in output to keep up with demand and delivery of outstanding orders for the good sales. On the outlook for June, MAA expected year-on-year sales to continue on the uptrend. (*Bernama*)
- **Malaysia: Bank Negara Malaysia's international reserves totaled RM314.3 billion (equivalent to US\$96.1 billion) as at June 15,** slightly higher from RM312.2 billion as at May 31. The reserves are sufficient to finance 8.2 months of retained imports and are 4.4 times the short-term external debt, said the central bank in a statement. Its assets stood at RM352.19 billion. (*Bernama*)

## UPCOMING RELEASE (28 JUNE - 02 JULY 2010)

### US

- May Personal Income by Department of Commerce on June 28, 2010.
- May Personal Spending by Bureau of Economic Analysis on June 28, 2010.
- April Home Price Index by S&P/Case Shiller on June 29, 2010.
- June Consumer Confidence by Conference Board on June 29, 2010.
- Weekly Mortgage Applications by Mortgage Bankers Association on June 30, 2010.
- Weekly Initial Jobless Claims by Department of Labor on July 1, 2010.
- June Manufacturing by Institute for Supply Management on July 1, 2010.
- May Construction Spending by US Census Bureau on July 1, 2010.
- Pending Home Sales by National Association of Realtors on July 1, 2010.
- June Unemployment Rate by Bureau of Labor Statistics on July 2, 2010.

### Eurozone

- May Money Supply (M3) by European Central Bank (ECB) on June 28, 2010.
- June Business Climate Indicator by European Commission on June 29, 2010.
- June Consumer Confidence Indicator by European Commission on June 29, 2010.
- June Industrial Confidence Indicator by European Commission on June 29, 2010.
- June Economic Confidence Indicator by European Commission on June 29, 2010.
- June Services Confidence Indicator by European Commission on June 29, 2010.
- June Consumer Price Index Estimate by Eurostat on June 30, 2010.
- May Producer Price Index (PPI) by Eurostat on July 2, 2010.
- May Unemployment Rate by Eurostat on July 2, 2010.

### Japan

- May Retail Trade by Ministry of Economy, Trade and Industry on June 28, 2010.
- May Workers Households Spending by Ministry of Internal Affairs on June 29, 2010.
- May Jobless Rate by Ministry of Internal Affairs on June 29, 2010.
- May Job-to-Applicant Ratio by Ministry of Health, Labour & Welfare on June 29, 2010.
- May Industrial Production Index (IPI) by Ministry of Economy, Trade and Industry on June 29, 2010.
- May Vehicle Production by Auto Manufacturers Association (AMA)/Japan Automobile Manufacturers on June 29, 2010.
- June Small Business Confidence by Shoko Chukin Bank on June 29, 2010.
- May Housing Starts by Ministry of Land Infrastructure & Transport on June 30, 2010.
- June Official Reserve Assets by Ministry of Finance on June 30, 2010.

- 2Q 2010 Tankan Survey on Business Condition by Bank of Japan on July 1, 2010.
- Second Quarter Tankan Large Manufacturers Index by Bank of Japan on July 1, 2010.
- June Monetary Base Average Outstanding by Bank of Japan on July 2, 2010.

### China

- May Leading Index by National Bureau of Statistics on June 28, 2010.
- June PMI Manufacturing by China Federation of Logistics on July 1, 2010.

### Malaysia

- May Money Supply (M3) by Bank Negara Malaysia (BNM) on June 30, 2010.
- May External Trade Balance by Department of Statistics Malaysia (DOSM) on July 2, 2010.