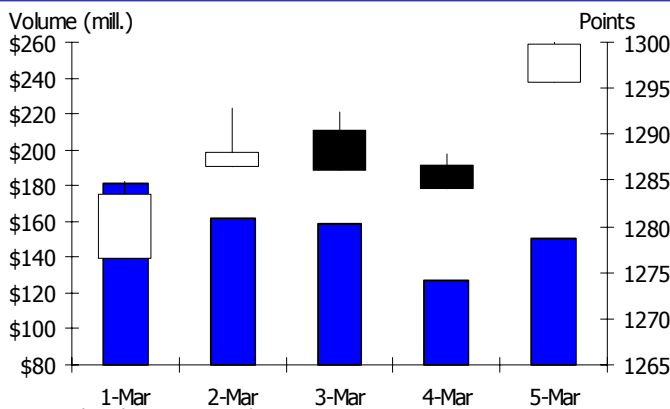


WEEKLY CLOSING IN MAJOR MARKET INDICES

	26-Feb	5-Mar	%w/w	%ytd
KL Composite	1,270.78	1,299.78	2.3	2.1
Dow Jones	10,325.26	10,566.20	2.3	1.3
Nikkei 225	10,126.03	10,368.96	2.4	-1.7
DAX Index	5,598.46	5,877.36	5.0	-1.3
UK FTSE100	5,354.52	5,599.76	4.6	3.5
AUS ORD 30	4,651.10	4,773.40	2.6	-2.2
STI Index	2,750.86	2,790.29	1.4	-3.7
Hang Seng	20,608.70	20,787.97	0.9	-5.0
SSE Index	3,051.94	3,031.07	-0.7	-7.5

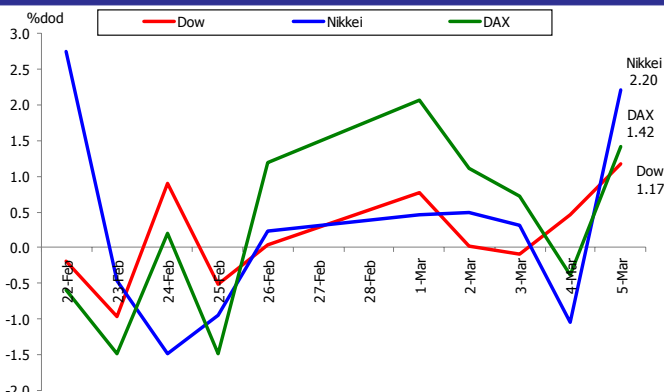
Source: Bloomberg, Bursa Malaysia

KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

MAJOR STOCK INDICES (DAILY % CHANGE)

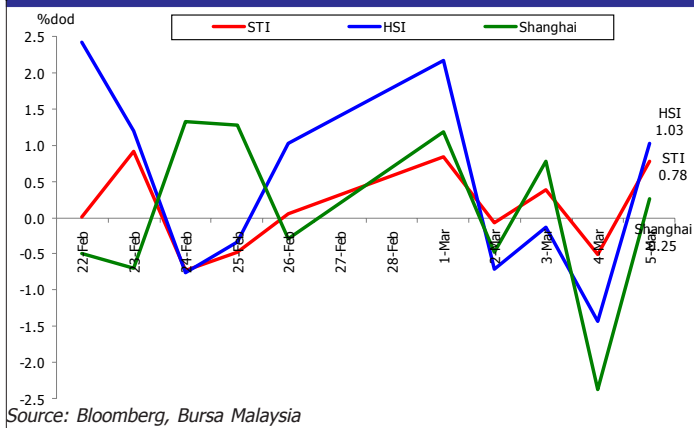


Source: Bloomberg, Bursa Malaysia

STOCK MARKET HIGHLIGHTS

- U.S. stocks reversed the previous week's losses, rising all five days, after reports on employment and consumer spending bolstered speculation that economic growth will extend a yearlong rally.** Walt Disney Co. and Boeing Co. climbed more than 6% after government reports showed the nation lost fewer jobs than economists forecast and personal spending increased for a fourth month. Takeovers boosted technology and financial stocks as Novell Inc. got an unsolicited buyout offer and American International Group Inc. announced plans to sell units. Government reports showed manufacturing grew for a seventh straight month while services industries expanded more than economists anticipated. The S&P 500 climbed 1.4% to the highest level since Jan. 19 on the final day of the week after the Labor Department said payrolls dropped by 36,000 last month, compared with a decrease of 68,000 estimated in a Bloomberg survey of economists.
- U.K. stocks gained, lifting the benchmark FTSE 100 Index to its highest since September 2008, amid optimism that the global economic recovery and higher earnings will support a rally in equities.** Xstrata Plc led mining shares higher after a lower-than-expected drop in U.S. payrolls. United Business Media Ltd., publisher of InformationWeek, jumped the most in eight months after beating some analysts' profit estimates. Tate & Lyle Plc, maker of the low-calorie sweetener Splenda, advanced as Credit Suisse Group AG recommended the stock.
- German stocks gained, extending the benchmark DAX Index's best weekly advance since July 2009, after a U.S. government report showed the unemployment rate held at 9.7% and employment declined less than forecast.** Commerzbank AG and Bayer AG led gains on the DAX Index. K+S AG, Europe's largest producer of potash, advanced 2.6% after the Financial Times Deutschland said one of its units exceeded an operating profit forecast.
- Japanese stocks rose, sending the Nikkei 225 Stock Average to its biggest weekly gain this year, as the yen weakened on speculation the central bank will further ease monetary policies.** Canon Inc., which gets 28% of its sales from the Americas, and Sony Corp. climbed more than 3% as U.S. jobless claims dropped. Sumitomo Realty & Development Co., a property developer with more

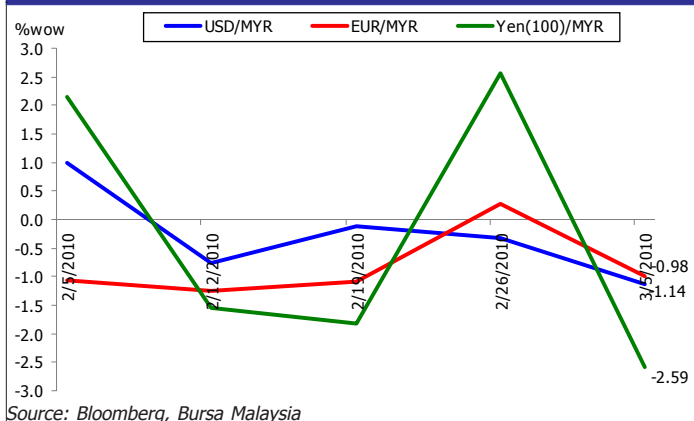
REGIONAL STOCK INDICES (DAILY % CHANGE)



debt than equity, jumped 4.6% on speculation looser monetary policy will cut borrowing costs. Nippon Yusen K.K. led shipping lines higher after a gauge of cargo-transport fees surged the most in almost eight months.

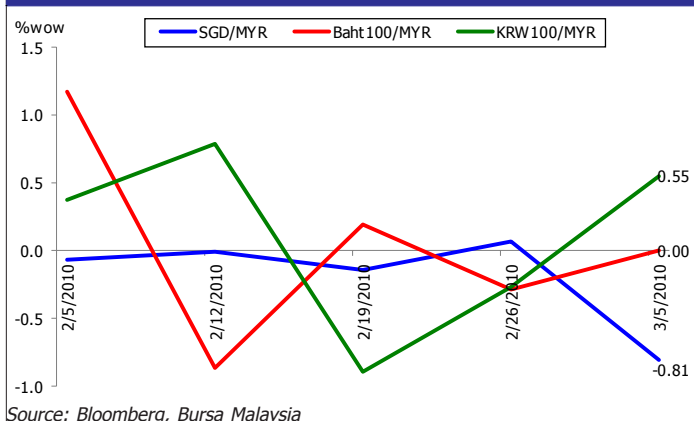
- **China's stocks declined last week, among the worst performer globally, on concern bank lending may slow and interest rates will rise as inflation accelerates.** Industrial Bank Co., part-owned by a unit of HSBC Holdings Plc, dropped 2.4% after predicting growth in the bank's new lending will almost halve this year. Poly Real Estate Group Co., China's second-largest developer by market value, lost 2.4%. Jiangxi Copper Co. and Zijin Mining Group Co., the nation's largest producers of copper and gold, fell at least 2.7% on lower metal prices.

RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



- **Malaysia stock market continued to rise, posting its fourth straight weekly advance as financial stocks rose higher on better earnings prospects while plantation stocks gained on rising commodity prices.** Almost all banks in the benchmark rose more than 5%, led by RHB Capital with 8.0%, after Bank Negara decided to raise the OPR to 2.25% as the economy emerges from recession. The move is expected to allow banks with variable rate loans to increase their rates, widening lending margins. AMMB Holdings Bhd. however bucked the overall trend, losing 2.0% to chart the highest loss among benchmark members as a note from RHB Research Institute suggested that Ambank will be a loser from the interest rate increase as the bank has a lower proportion of variable rate loans. Sime Darby Bhd. and IOI Corp. both rose 1.5% and 1.9% respectively after CPO futures rose to RM2,652 per tonne or by 2.2%.

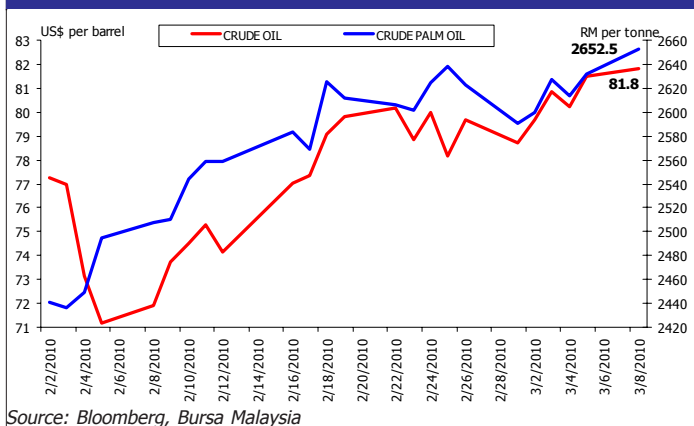
RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



ECONOMIC HIGHLIGHTS

- **US service industries accelerated in February more than anticipated,** indicating the economic expansion may soon create jobs following the worst employment slump in the post-World War II era. The Institute for Supply Management's index of non-manufacturing businesses, which covers almost 90% of the economy, increased to 53 from 50.5 in January. (Bloomberg)
- **US factory orders for computers and machinery dropped in January,** signaling the rebound in business investment cooled at the start of 2010. Bookings for capital goods excluding aircraft fell 4.1% after a revised 3% gain in December that was smaller than previously estimated. Total factory orders increased 1.7%, in line with forecasts, boosted by a surge in commercial aircraft demand. (Bloomberg)
- **The US unemployment rate held at 9.7% and payrolls fell less than forecast,** indicating the labor market strengthened even as East Coast snowstorms

CRUDE OIL vs CRUDE PALM OIL



forced some employers to temporarily close. Payrolls dropped by 36,000 last month after a revised 26,000 decrease in January. Manufacturers added workers for a second straight month, the first back-to-back gain since 2006, while construction companies fired workers. *(Bloomberg)*

- **Eurozone households and companies loans declined in January from a year earlier** after a weakening economic expansion curbed demand for credit across the 16-member euro region. Loans to the private sector fell 0.6%. M3 money supply, which the ECB uses as a gauge of future inflation, rose an annual 0.1% in January after a revised 0.3% decline in December. *(Bloomberg)*
- **Eurozone retail sales fell by a monthly 0.3% in January** as nonfood sales dipped, in another sign that consumers remain reluctant to spend. The decline was in line with market expectations and follows a modest 0.5% advance in December. Compared with the same month a year before, retail sales were 1.3% lower. Over the last few months, retail sales have shown little direction, rising one month but falling the next. *(BusinessWeek)*
- **Eurozone inflation slowed in February after rising unemployment and a weakening recovery prompted households to scale back spending.** Consumer prices in the 16-nation euro region rose an estimated 0.9% from a year earlier after increasing 1.0% in January. *(Bloomberg)*
- **The European Central Bank (ECB) held its key interest rate steady at 1%,** with the benchmark lending rate tipped to remain unchanged at a record low level possibly into 2011, owing to a wobbly economic recovery and debt problems highlighted by the crisis in Greece. ECB president Jean-Claude Trichet also phased out some of the emergency tools used to fight the financial crisis. *(TodayOnline)*
- **Eurozone economic growth slowed as expected in the fourth quarter,** with the fragile recovery entirely dependent on exports, revised official data showed Thursday. Quarterly gross domestic product growth slowed to 0.1% in the final three months of last year from 0.4% in the three months to the end of September. *(The Wall Street Journal)*
- **Japan's consumer prices, excluding volatile fresh food prices, fell 1.3% in January** from a year earlier marking the 11th straight month of decline. The core consumer price index (CPI) stood at 99.4, down 0.2% from December. Additionally the core CPI for Tokyo's 23 wards in February fell 1.8% from a year before to 98.6. *(Xinhua)*
- **Japan's industrial production was up a seasonally adjusted 2.5% on month in January,** climbing for the 11th consecutive month. That was sharply higher than analyst expectations for a 1.0% increase following the 1.9% gain in December. On an annual basis, industrial production jumped 18.2% after the 5.1% gain in the previous month. *(RTT News)*
- **Japan's retail sales climbed 2.6% in January** compared to the previous year, rising for the first time in 17 months. That was sharply higher than analyst expectations for a 0.2% decline following the revised 0.2% contraction in December. On a monthly basis, retail sales surged by a seasonally adjusted 2.9% after the 1.1% contraction in December. *(RTT News)*
- **Japan's capital spending falls 18.5%, 11th decline.** Japanese businesses cut spending for an 11th quarter, signaling a revival in exports remains insufficient to prompt investment that would spur the recovery. Capital spending excluding software fell 18.5% in the three months ended Dec. 31 from a year earlier, after dropping a record 25.7% in the previous quarter. *(Bloomberg)*
- **Bank Negara raised its overnight policy rate (OPR) by 25 basis points to 2.25% on 5 March,** signaling the time was ripe to normalize interest rates with the improvement in economic conditions. The Monetary Policy Committee (MPC) said the hike was to prevent any financial imbalance that could take place should rates remain too low for longer than necessary and said Malaysians should expect the rate of inflation to rise but remain moderate given the prevailing economic conditions. The hike in OPR, the benchmark interest rate which determines banks' lending rates, is the first increase in close to four years. *(The Star)*
- **Malaysia's total exports in January surged 37% to RM52.45 billion against RM38.26 billion registered in January 2009,** following higher exports of electrical and electronic (E&E) products. Imports also increased by 31% to RM39.52 billion from RM30.16 billion previously, said International Trade and Industry Minister Datuk Seri Mustapa Mohamed. Compared with December last year, total exports, however, decreased 4.1% while imports declined 7.2% which resulted in total trade in January easing 5.4%. *(Bernama)*
- **Bank Negara's international reserves declined marginally to RM331.8bil (US\$96.9 bil) as at Feb 25, 2010,** from RM322.2bil (US\$97.0 bil) as at Feb 12. The reserves position was sufficient to finance 10 months of retained imports and was 4.3 times the short-term external debt, the central bank said. *(Bernama)*

UPCOMING RELEASE (8 - 12 MAR 2010)

US

- Weekly Mortgage Applications by Mortgage Bankers Association on March 10, 2010.
- January Merchant Wholesalers Inventories by US Census Bureau on March 10, 2010.
- January Trade Balance by US Census Bureau on March 11, 2010.
- Weekly Initial Jobless Claims by Department of Labor on March 11, 2010.
- February Advance Retail Sales by US Census Bureau on March 12, 2010.
- March Consumer Confidence by University of Michigan Survey Research on March 12, 2010.

Eurozone

- January Industrial Production Index (IPI) by Eurostat on March 12, 2010.

Japan

- January BOP Current Account Balance by Ministry of Finance on March 8, 2010.
- February Average Lending Rate by Bank of Japan on March 8, 2010.
- February Money Supply M2+CD by Bank of Japan (BOJ) on March 8, 2010.
- January BOP Trade Balance by Ministry of Finance on March 8, 2010.
- February Bankruptcies Cases by Tokyo Shoko Research Ltd on March 8, 2010.
- February Economy Watchers Survey by Economic & Social Research Institute (ESRI) on March 8, 2010.
- January Leading Economic Index by Economic and Social Research Institute (ESRI) on March 9, 2010.
- January Machinery Order by Economic and Social Research Institute (ESRI) on March 10, 2010.
- February Domestic Corporate Goods Price (CGPI) by BOJ on March 10, 2010.
- 4Q 2009 Gross Domestic Product (GDP) by Economic & Social Research Institute (ESRI) on March 11, 2010.
- January Industrial Production Index (IPI) by Ministry of Economy, Trade and Industry on March 12, 2010.

China

- February Money Supply M1 by The People's Bank of China on March 10-15, 2010.
- February New Yuan Loans by The People's Bank of China on March 10-15, 2010.
- February Exports by Customs General Administration on March 10, 2010.
- February Producer Price Index by National Bureau of Statistics on March 11, 2010.
- February Consumer Price Index by National Bureau of Statistics on March 11, 2010.

- February Retail Sales by National Bureau of Statistics on March 11, 2010.
- February Industrial Production Index by National Bureau of Statistics on March 11, 2010.
- February Actual FDI by China Ministry of Commerce on March 12-16, 2010.

Malaysia

- January Industrial Production Index (IPI) by Department of Statistics Malaysia (DOSM) on March 11, 2010.
- January Manufacturing Sales of Products by Department of Statistics Malaysia (DOSM) on March 11, 2010.