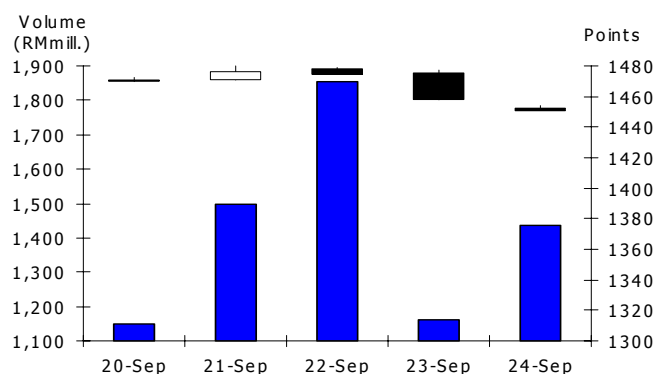


### WEEKLY CLOSING IN MAJOR MARKET INDICES

	17-Sep	24-Sep	%wow	%ytd
KL Composite	1466.97	1451.19	-1.1	14.0
Dow Jones	10607.85	10860.26	2.4	4.1
Nikkei 225	9626.09	9471.67	-1.6	-10.2
DAX Index	6209.76	6298.3	1.4	5.7
UK FTSE100	5508.45	5598.48	1.6	3.4
AUS ORD 30	4685.1	4651.5	-0.7	-4.7
STI Index	3076.37	3092.68	0.5	6.7
Hang Seng	21970.86	22119.43	0.7	1.1
SSE Index	2598.689	2591.55	-0.3	-20.9

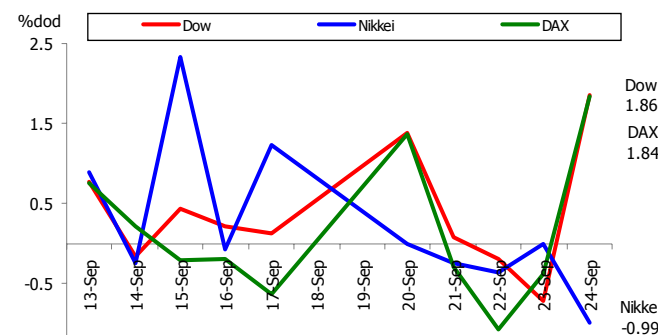
Source: Bloomberg, Bursa Malaysia

### KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

### MAJOR STOCK INDICES (DAILY % CHANGE)

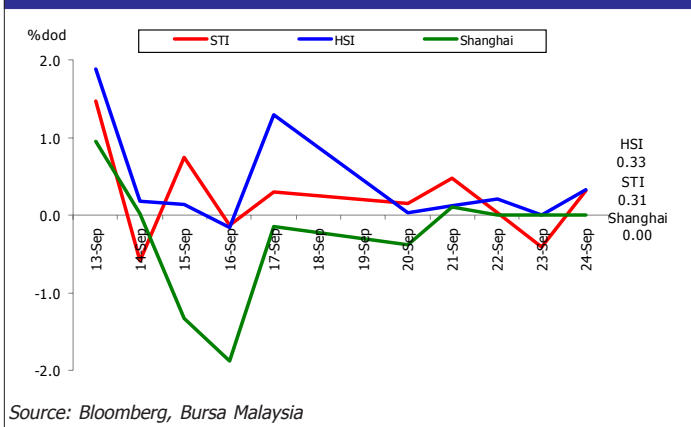


Source: Bloomberg, Bursa Malaysia

### STOCK MARKET HIGHLIGHTS

- U.S. stocks rallied last week, sending the Standard & Poor's 500 Index to a four-month high, after a rebound in demand for capital goods and better-than-estimated earnings at Nike Inc. eased concern that the economic recovery is faltering.** Alcoa Inc., the largest U.S. aluminum producer, and Caterpillar Inc. helped lead gains among materials producers and industrial stocks after a government report showed orders for durable goods excluding transportation equipment rose at twice the pace forecast by economists. Nike rallied 2.5% as orders surged in China. Hewlett-Packard Co. added 2.1% after an analyst said the world's largest computer maker may announce a 2011 earnings forecast that exceeds estimates. The S&P 500 Index surged 2.1% to 1,148.67 points in New York, the highest since May 13, capping the longest weekly rally since April and heading for the best September since 1939. The Dow Jones Industrial Average advanced 197.84 points, or 2.4%, to 10,860.26 ending the week.
- U.K. stocks rose, with the benchmark FTSE 100 Index extending its fifth straight weekly rally, as orders for U.S. capital equipment rebounded in August, easing concern about a slowdown in business investment.** ARM Holdings Plc rallied 6.1% amid speculation that Oracle Corp. may be interested in buying the company. Rolls-Royce Group Plc, which makes more than a quarter of its sales in the U.S., climbed 2.7%. The FTSE 100 climbed 51.4, or 0.9%, to 5,598.48 points in London. The gauge rallied 1.6% last week, posting the longest streak of weekly gains since April.
- Japanese stocks fell three days straight last week after being whipsawed by swings in the yen, which influences export earnings.** Canon Inc., the world's biggest camera maker, dropped 1.7% and Fanuc Ltd., a maker of industrial robots that earns about 80% of revenue overseas, fell 1.1%. The yen plunged on speculation the government was intervening to weaken the currency, and then pared the advance. Japan said Sept. 15 it acted in the market for the first time since 2004. Shin-Etsu Chemical Co. and TDK Corp., which use imported rare earths in products, fell at least 1.5% on concern China is limiting supply of the minerals. The Nikkei 225 Stock Average fell 1% to 9,471.67 points at the close in Tokyo, flipping between a drop of 1.6% and a gain of 0.4%. The broader Topix index sank 1% to 838.41, with about four times as many shares declining as advancing. Last week, the Nikkei and the Topix both retreated 1.6%, their first weekly declines in a month.
- Hong Kong stocks rose for a fourth week as Nike Inc.'s better-than-estimated profit boosted supplier Yue Yuen Industrial (Holdings) Ltd., while PCCW Ltd. gained after the Sing Tao Daily said the company plans to seek**

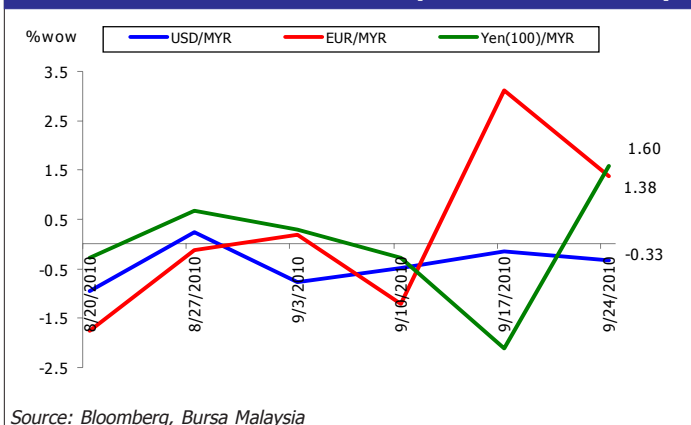
## REGIONAL STOCK INDICES (DAILY % CHANGE)



**a separate listing for a unit.** Yue Yuen, the world's largest supplier of branded athletic shoes, advanced 1.6%. PCCW, Hong Kong's No. 1 phone company, jumped 3.7%. Among stocks that debuted today, Magic Holdings International Ltd., which makes cosmetic facial masks, soared 37% in its trading debut. HSBC Holdings Plc slid 0.6% after a person briefed on the matter said the company's chief executive officer will step down. The Hang Seng Index climbed 0.3% to close at 22,119.43 points, extending its gains in a holiday-shortened week to 0.7%, its fourth straight weekly advance.

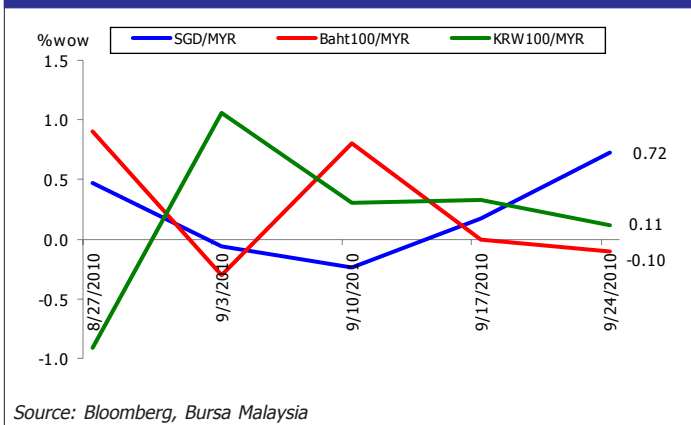
- China's stocks rose, led by commodity producers, as a rebound in demand for U.S. capital goods eased concern the global recovery is faltering. Jiangxi Copper Co. and Aluminum Corp. of China Ltd. advanced at least 1.4% after orders for U.S. capital equipment exceeded economists' estimates.** China Southern Airlines Co. rose to the highest since May after Kenneth Fisher, the billionaire chairman of Fisher Investments Inc., recommended the stock. China Vanke Co. and Poly Real Estate Group Co. led declines among developers on newspaper reports the government may start a trial of property tax next year and is probing the way banks implement second-home policy curbs. The Shanghai Composite Index, which tracks the bigger of China's stock exchanges retreated 0.3% to 2591.55 points. China's markets were closed from September 22-24 for Mid-Autumn Festivals.

## RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



- Malaysian share prices closed mixed on Friday on continued profit-taking and losses among heavyweights.** Earlier in the day, share prices were mixed as selling pressure among heavyweights persisted with investors tracking overnight losses on Wall Street and weaknesses in the US economy. At the close, the FTSE Bursa Malaysia Kuala Lumpur Composite Index lost 6.89 points to 1,451.19 after opening 6.50 points lower at 1,451.58. However, the market managed to pare some of its earlier losses, in the late afternoon session on bargain hunting activities. Volume was higher at 1.727 billion shares worth RM1.531 billion from the 999.443 million shares worth RM1.416 billion on Thursday. Advancers led decliners 408 to 307, while 289 counters were unchanged, 347 untraded and 36 suspended. Among heavyweights, Maybank lost 4 sen to RM8.58, CIMB slipped 10 sen to RM8.09, Tenaga Nasional eased 8 sen to RM8.92 and Sime Darby rose 4 sen to RM8.37.

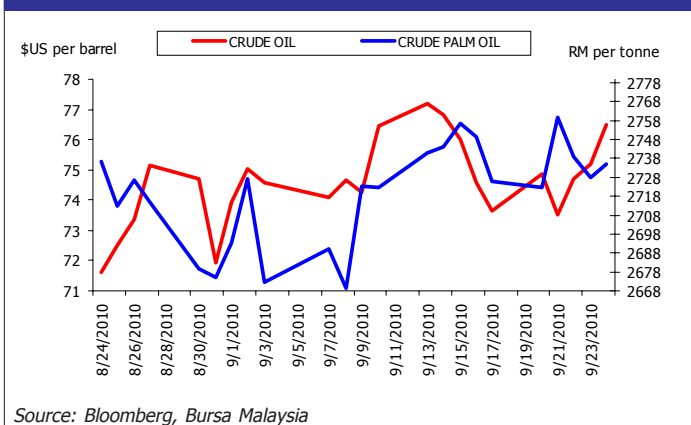
## RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



## ECONOMIC HIGHLIGHTS

- U.S.: Consumer sentiment slumps on Obama, congress tax-cut extension delay.** Concern that U.S. personal income taxes will increase next year caused an unexpected decline in consumer confidence in September, indicating the biggest part of the economy will struggle to pick up. The Thomson Reuters/University of Michigan preliminary index of consumer sentiment dropped to a one-year low of 66.6, due entirely to a rise in pessimism among households with incomes above \$75,000, the group said. A separate report from the Federal Reserve showed household wealth declined 2.8% in the second quarter as stock prices fell. (Bloomberg)
- U.S.: Household worth in U.S. fell 2.8% in second quarter** as share prices were depressed by the European debt crisis, marking a setback for American efforts to repair finances battered by the recession. Net worth for households and non-profit groups declined by \$1.5 trillion to \$53.5 trillion, according to the Federal Reserve's Flow of Funds report issued

## CRUDE OIL vs CRUDE PALM OIL



today in Washington. The decline was the first since March 2009. Home values rose because of a tax credit that has since expired. (*Bloomberg*)

- **U.S.: Homebuilder confidence holds at lowest level in a year as tax credit ends.** Confidence among U.S. homebuilders in September unexpectedly held at the lowest level in more than a year, showing the housing market remains depressed following the expiration of a government tax credit. The National Association of Home Builders/Wells Fargo confidence index was unchanged at 13, matching the August reading as the lowest since March 2009, data from the Washington-based group showed today. The gauge was projected to rise to 14, according to the median forecast of 50 economists surveyed by Bloomberg News. (*Bloomberg*)
- **U.S.: Housing starts in U.S. increased more than forecast in August,** outstripping a gain in building permits that signals residential construction will stay close to record lows. Builders began work on 598,000 homes at an annual rate, up 10.5% and the most since April, the Commerce Department said today in Washington. Economists surveyed by Bloomberg News forecast a 550,000 pace. Permits, an indicator of future activity, were issued at a 569,000 rate. (*Bloomberg*)
- **U.S.: Payrolls decrease in 36 U.S. states, led by Michigan.** Payrolls dropped in 36 U.S. states in August, led by Michigan, indicating the labor market will take time to rebound from the worst recession since the 1930s. Employers in Michigan cut 50,300 jobs last month, the biggest drop since January 2009, figures from the Labor Department showed today in Washington. Texas and California rounded out the three states with the biggest job losses. Joblessness climbed in 27 states, with Nevada reaching a record 14.4% rate, the highest in the nation. (*Bloomberg*)
- **U.S.: Sales of existing homes increase.** Sales of U.S. previously owned homes climbed from a record low in August and a gauge of the outlook for the economy increased, confirming the Federal Reserve's forecast for a "modest" pace of expansion. Purchases of existing houses climbed to a 4.13 million annual pace, the second-lowest on record, the National Association of Realtors said today in Washington. (*Bloomberg*)
- **U.S.: Index of U.S. leading economic indicators rose 0.3% in August.** The index of U.S. leading indicators rose in August more than forecast, signaling the economy will keep expanding through early next year. The 0.3% gain in the New York-based Conference Board's gauge of the prospects for the economy in the next three to six months follows a 0.1% increase in July. The index was forecast to rise 0.1%, according to the median estimate in a Bloomberg News survey of 56 economists. (*Bloomberg*)
- **U.K.: House prices fall 1.1% on month in September** compared to the previous month, property tracking Web site Rightmove said on Monday. The average asking price stands at 229,767 pounds. That follows a 1.7% monthly decline in August. There were only 26,100 properties put

up for sale each week in September, marking a decline of 11% from August. (*RTT News*)

- **U.K.: Economy to grow slower than forecast in 2011 on budget cuts, CBI says.** The U.K. economy will grow slower than previously forecast next year as the biggest public spending squeeze since World War II takes hold, the Confederation of British Industry said. Gross domestic product will rise 2% next year, down from a forecast in June of 2.5%, and the Bank of England won't raise interest rates until the second quarter, the U.K.'s biggest business lobby said in London today. The group raised its 2010 growth forecast to 1.6% from 1.3%. (*Bloomberg*)
- **E.U.: Europe consumer confidence rose less than economists forecast in September.** European consumer confidence improved less than economists forecast in September, adding to signs the region's recovery is losing momentum. An index of consumer sentiment in the 16-nation euro region rose to minus 11.2 from a revised minus 11.4 in August, the Brussels-based European Commission said today in an initial estimate. Economists had forecast a reading of minus 10, the median of 19 estimates in a Bloomberg News survey showed. (*Bloomberg*)
- **E.U.: European services, manufacturing growth slows again.** Growth in Europe's services and manufacturing industries weakened more than economists forecast in September, adding to evidence the recovery in the region is losing steam. A composite index based on a survey of euro-area purchasing managers in both industries declined to 53.8 from 56.2 in August, London-based Markit Economics said today. Economists expected a reading of 55.7, according to the median of 15 forecasts in a Bloomberg News survey. A reading above 50 indicates expansion. (*Bloomberg*)
- **Japan: Land-price declines slow for first time in three years.** The nationwide average price dropped 3.7% in the 12 months ended June, compared with a 4.4% decline a year earlier, the Ministry of Land, Infrastructure, Transport and Tourism said in a report released yesterday. Prices have fallen for 19 straight years. (*Bloomberg*)
- **Japan: Japanese July leading index revised up.** Japan's leading index for July was upwardly revised to 100 from 98.2, latest data from the Cabinet Office. However, the indicator dropped from the previous month level of 100.3. The reading for coincident indicator was revised up to 103 from 101.8. The index also stayed above June's 102.4. The lagging index came in at 87.4, up from 85.1 in June. (*RTT News*)
- **Malaysia: August Consumer Price Index (CPI) jumped 2.1%, year-on-year,** to 114.4 from 112.1 amid increases in food & non-alcoholic beverages and non-food, such as transport. The index for food & non-alcoholic beverages and non-food for August 2010 compared to the same month in 2009 showed an increase of 3.1% and 1.5%, respectively. The CPI, when compared with July, increased by 0.4%. The CPI from January to August was up 1.5% to 113.5 from 111.8 in the same period last year. (*Bernama*)
- **Malaysia: Bank Negara Malaysia's (BNM) international reserves amounted to RM313.3 billion (US\$95.9 billion)** as at September 15 this year. The reserves position is sufficient

to finance 8.4 months of retained imports and is 4.3 times the short-term external debt, the central bank said. (Bernama)

- **Malaysia: Vehicle sales in August rose by 12.81% to 55,208 units from 48,937 units in the same month last year**, says the Malaysian Automotive Association (MAA). Between January and August, sales rose by 16.47% to 409,806 units compared with 351,846 units in the same period last year, it said. MAA attributed the rush deliveries for the Hari Raya Aidilfitri and higher production in July to keep up with good sales demand. (Bernama)

### **UPCOMING RELEASE (September 27- October 1, 2010)**

#### **US**

- September Consumer Confidence by University of Michigan Survey Research on September 27, 2010.
- Weekly Mortgage Applications by Mortgage Bankers Association on September 29, 2010.
- 2Q GDP Annualized by Bureau of Economic Analysis on September 30, 2010.
- Weekly Initial Jobless Claims by Department of Labor on September 30, 2010.
- August Construction Spending by US Census Bureau on October 1, 2010.

#### **Eurozone**

- August Money Supply (M3) by European Central Bank (ECB) on September 27, 2010.
- September Business Climate Indicator by European Commission on September 29, 2010.
- September Consumer Confidence Indicator by European Commission on September 29, 2010.
- September Industrial Confidence Indicator by European Commission on September 29, 2010.
- September Economic Confidence Indicator by European Commission on September 29, 2010.
- September Services Confidence Indicator by European Commission on September 29, 2010.
- August Unemployment Rate by Eurostat on October 1, 2010.

#### **Japan**

- September Small Business Confidence by Shoko Chukin Bank on September 28, 2010.
- Third Quarter Tankan Large Manufacturers Index by Bank of Japan on September 28, 2010.
- August Retail Trade by Ministry of Economy, Trade and Industry on September 29, 2010.
- August Industrial Production Index (IPI) by Ministry of Economy, Trade and Industry on September 29, 2010.
- August Vehicle Production by Auto Manufacturers Association (AMA)/Japan Automobile Manufacturers on September 30, 2010.
- August Housing Starts by Ministry of Land Infrastructure & Transport on September 30, 2010.
- August Construction Orders by Ministry of Land Infrastructure & Transport on September 30, 2010.
- August Jobless Rate by Ministry of Internal Affairs on September 30, 2010.
- August Job-to-Applicant Ratio by Ministry of Health, Labour & Welfare on September 30, 2010.
- September Tokyo CPI by Ministry of Internal Affairs on September 30, 2010.

#### **China**

- September PMI Manufacturing by China Federation of Logistics on September 28, 2010.

#### **Malaysia**

- August Money Supply (M3) by Bank Negara Malaysia (BNM) on September 30, 2010.