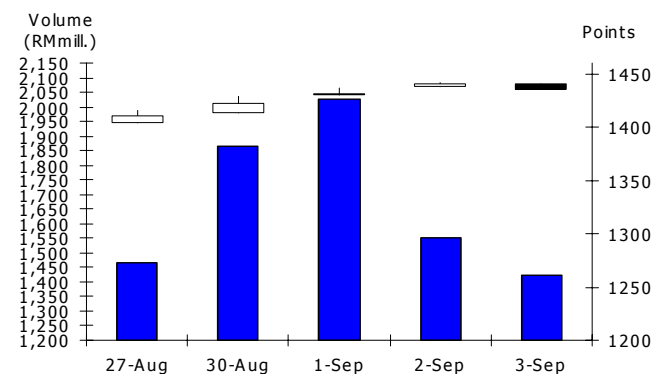


WEEKLY CLOSING IN MAJOR MARKET INDICES

	27-Aug	3-Sep	%wow	%ytd
KL Composite	1411.05	1435.67	1.7	12.8
Dow Jones	10150.65	10447.93	2.9	0.2
Nikkei 225	8991.06	9114.13	1.4	-13.6
DAX Index	5951.17	6134.62	3.1	3.0
UK FTSE100	5201.56	5428.15	4.4	0.3
AUS ORD 30	4404.1	4577.6	3.9	-6.2
STI Index	2938.74	3002.56	2.2	3.6
Hang Seng	20597.35	20971.5	1.8	-4.1
SSE Index	2610.742	2655.394	1.7	-19.0

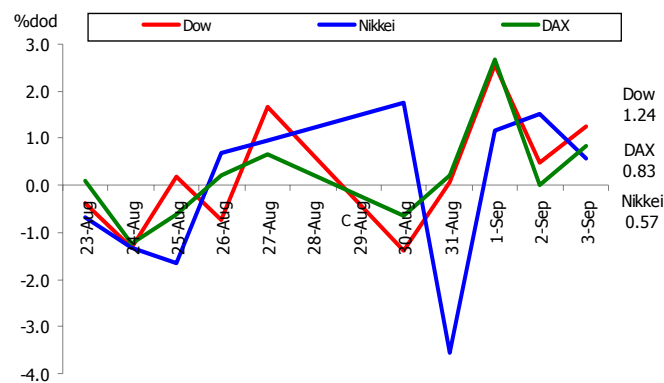
Source: Bloomberg, Bursa Malaysia

KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

MAJOR STOCK INDICES (DAILY % CHANGE)

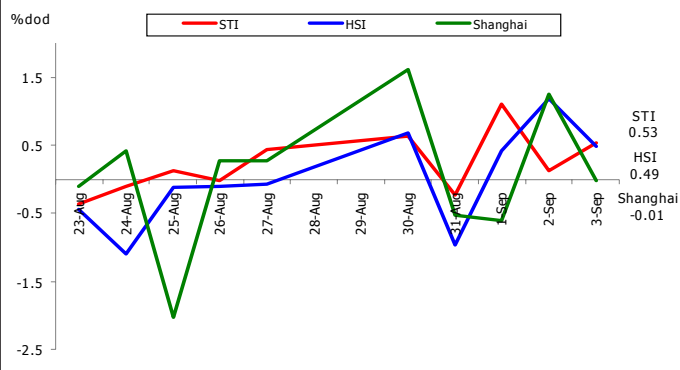


Source: Bloomberg, Bursa Malaysia

STOCK MARKET HIGHLIGHTS

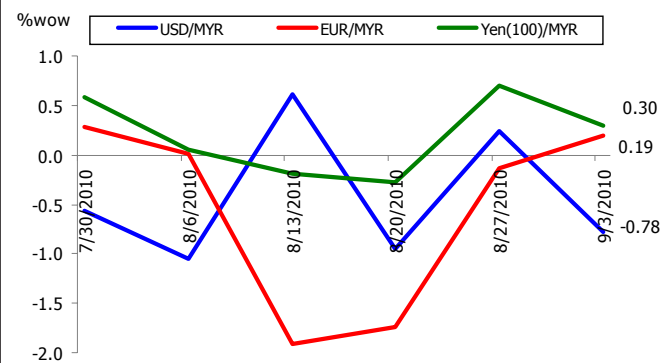
- U.S. stocks rose last week, with the Standard & Poor's 500 Index gaining a fourth day and the Dow Jones Industrial Average erasing its loss for the year, as better-than-estimated growth in private payrolls eased concern the economy is sliding back into a recession.** JPMorgan Chase & Co., the second-biggest U.S. bank, gained 2.7% and Caterpillar Inc. advanced 2.3% as private employers climbed 67,000 last month. Monster Worldwide Inc., the online-recruiting company, increased 7%. H&R Block Inc. surged 5.8% after posting a narrower quarterly loss as the company seeks to win back from online rivals such as Intuit Inc.'s TurboTax. Financial stocks posted the biggest gains among 10 industries in the S&P 500. The S&P 500 rose 1.3% to 1,104.51 points, extending its weekly gain to 3.8% and completing its longest winning streak since July. The Dow increased 127.83 points, or 1.2%, to 10,447.93, giving it a 0.2% gain for 2010.
- U.K. stocks rose, extending the FTSE 100 Index's winning streak to six days, after companies in the U.S. added more jobs than forecast in August, easing concern the economy was falling back into recession.** Barclays Plc led banks higher after the U.S. jobs release. BAE Systems Plc rose after being upgraded at Redburn Partners. Soco International Plc plunged after the discovery of water-bearing sands forced the oil explorer to abandon its first well in a new block in the Democratic Republic of Congo. The FTSE 100 increased 57.11, or 1.1%, to 5,428.15. The gauge has rallied 4.4% last week as the manufacturing industries in the U.S. and China grew faster than predicted, easing concern that the global economic recovery is faltering.
- Japanese stocks rose last week, driving benchmark indexes to their first weekly gain in a month, after U.S. reports showed an unexpected increase in pending home sales and improved retail sales.** Canon Inc., a camera maker that gets more than 80% of its revenue overseas, climbed 1.3%. Toyota Motor Corp., an automaker that earns about 70% of its sales abroad, increased 2.1%. Inpex Corp., Japan's largest oil and gas explorer, gained 2.5% and Sumitomo Metal Mining Co., Japan's second-biggest copper smelter, jumped 3.2% after oil and metals prices rose in the last week. The Nikkei 225 Stock Average rose 0.6% to 9,114.13 points, after moving between a gain of 0.9% and a drop of 0.1%. The broader Topix index climbed 0.5% to 823.70, with more than twice as many shares advancing as declining. The Nikkei, which sank to its lowest level in 16 months in intraday trading two days ago, increased 1.4% last week, and the Topix gained 0.5%.
- Hong Kong stocks rose, led by developers, as Sino Land Co. reported better-than-expected earnings and after**

REGIONAL STOCK INDICES (DAILY % CHANGE)



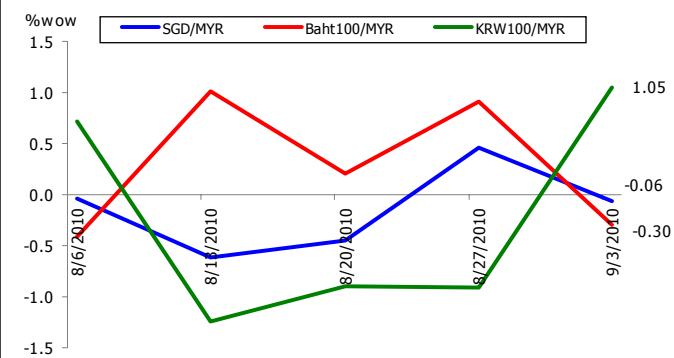
Source: Bloomberg, Bursa Malaysia

RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



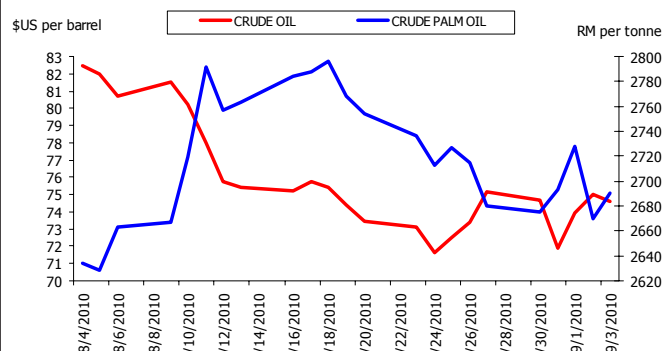
Source: Bloomberg, Bursa Malaysia

RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

home sales in the city jumped to the highest in almost three years. Sino Land, a Hong Kong developer controlled by billionaire Robert Ng, climbed 3.2% after reporting full-year profit that beat analyst estimates. Sun Hung Kai Properties Ltd., the world's biggest developer, rose 0.5%. Ping An Insurance (Group) Co., China's second-largest insurer, jumped 5.5% after terms of sale showed its share offering was priced at the high end of the range. Esprit Holdings Ltd. tumbled for a second day, falling 5.4% after brokerages cut their ratings on the global fashion retailer. The Hang Seng Index rose 0.5% to close at 20,971.50, extending its gains last week to 1.8%. That's the measure's first weekly gain in four.

- Most China stocks rose as automakers gained on prospects sales will pick up, countering declines by developers on concern that the government will impose more measures to curb property speculation.** SAIC Motor Corp., the nation's biggest carmaker, rose to an eight-month high. China Dongfanghong Spacesat Co. climbed 5%, leading gains among satellite navigation stocks, after the Shanghai Securities News reported the government will boost industry spending as part of the next 5-year plan. China Vanke Co. and Poly Real Estate Group Co. dropped at least 0.5% after BNP Paribas said home prices will decline from this month and StarRock Investment Management said the real-estate property has a "very big bubble." Almost five stocks rose for every four that fell on the Shanghai Composite Index, which slipped 0.38, or less than 0.1%, to 2,655.39. The gauge added 1.7% last week, the most since five days through July 30, after domestic manufacturing growth picked up last month and the Federal Reserve pledged to safeguard the recovery.

- Share prices on Bursa Malaysia ended easier Friday as investors locked in profits in key heavyweights, particularly finance counters, after the recent sharp gains.** The FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) closed 5.4 points lower at 1,435.67, dragged down by losses mostly in Genting, Sime Darby and Telekom. The key index had opened 1.02 points lower at 1,440.05. The recent sharp gain in the benchmark index was boosted by the rally in finance stocks.

ECONOMIC HIGHLIGHTS

- U.S.: August consumer sentiment index unexpectedly revised downward.** The report showed that the consumer sentiment index for August was downwardly revised to 68.9 from the previous estimate of 69.6, although it remains above the July reading of 67.8. (RTT News)

- U.S.: Economy grew by only 1.6% in the second quarter.** The main factor in the sharp downward GDP revision and the drop in growth from a pace of 3.7% in the first quarter was net trade, with imports soaring. The US economy grew at a much slower pace than first estimated in the second quarter, but the new reading was not as low as economists had been expecting, giving a boost to stock markets. The US government said GDP grew at an annual pace of 1.6%, down from the 2.4% it had estimated a month ago. But that was above the 1.4% forecast in a Reuters poll of analysts. Some had been expecting an even weaker reading after a slew of downbeat economic indicators from the US in recent weeks. (Guardian.co.uk)

- **U.S.: Consumer confidence in U.S. rose more than forecast.** The Conference Board's confidence index rose to 53.5 from a five-month low of 51 in July, according to a report today from the New York-based research group. *(Bloomberg)*
- **U.S.: Manufacturing index for U.S. increased in August.** Manufacturing in the U.S. expanded at a faster pace than forecast in August as factories added workers and cranked up production. The Institute for Supply Management's factory index rose to a three-month high of 56.3 from 55.5 in July, the Tempe, Arizona-based group said today. Readings greater than 50 signal growth, and the figure was projected to drop to 52.8, according to the median forecast in a Bloomberg News survey. *(Bloomberg)*
- **U.S.: Consumer-bankruptcy filings declined by 8% last month, Institute says.** U.S. consumer bankruptcy filings fell 8% to 127,028 in August from the previous month, the American Bankruptcy Institute reported. More U.S. consumers filed for bankruptcy through the first eight months of the year than for the same period in 2009, according to the institute. *(Bloomberg)*
- **U.S.: Construction spending in U.S. declined twice as much as forecast in July.** Construction spending in July fell twice as much as forecast, led by a slump in homebuilding that will depress U.S. economic growth. The 1% drop brought spending to \$805.2 billion, the lowest level in a decade, after a revised 0.8% drop in June that wiped out a previously estimated gain, Commerce Department figures showed today in Washington. *(Bloomberg)*
- **US: The number of Americans seeking jobless benefits fell last week to a level that indicates the labor market has not improved this year even as the economy expanded.** Initial jobless claims fell by 6,000 to 472,000 in the week ended Aug. 28, in line with the median forecast of economists surveyed by Bloomberg News, Labor Department figures showed today in Washington. Applications exceeded the 463,000 average so far this year. *(Bloomberg)*
- **U.S.: Pending home sales rise in sign market steady-ing.** Pending sales of existing houses unexpectedly climbed in July from a record low, indicating the real-estate market is steadying following the end of a government tax credit. The index of purchase contracts rose 5.2% after a revised 2.8% drop the prior month, figures from the National Association of Realtors showed today in Washington. *(Bloomberg)*
- **U.S.: Orders to U.S. factories increased less than forecast in July.** Orders placed with U.S. factories rose less than forecast in July, restrained by a slump in demand for capital equipment that points to slower business investment in coming months. The 0.1% increase in bookings compared with a 0.2% gain projected by the median forecast of economists in Bloomberg News survey and followed a revised 0.6% decline in June, figures from the Commerce Department showed today in Washington. Orders for machinery and computers dropped. *(Bloomberg)*
- **U.K.: BOE will keep 0.5% rate until second quarter on double-dip risk, BCC says.** The Bank of England will leave interest rates on hold until the second quarter of 2011 as government spending cuts increase the risk of a double-dip recession, the British Chambers of Commerce said. Economic expansion may average 2% in the next five years, lower than the 3% average in the 15 years through 2007, the London-based group said in a statement today. It raised its growth forecasts for this year and next to 1.7% and 2.2% from a June projection of 1.3% and 2%. The BCC said inflation will remain above the Bank of England's 2% target through 2011 before easing to 1.7% in 2012. It expects the central bank to increase the benchmark interest rate to 1.75% by the end of next year. *(Bloomberg)*
- **U.K.: Economy expands more than expected.** The U.K. economy expanded an upwardly revised 1.2% in the second quarter, as the services and construction sectors gathered traction and consumption grew, supporting the view that the country's economic recovery is gaining momentum. Data from the Office for National Statistics released Friday showed that a 0.7% quarter-on-quarter expansion in services-sector activity and an 8.5% increase in construction—the strongest since 1982—boosted output. Household spending increased 0.7%, after a 0.1% decline the previous quarter. From the same period a year earlier, the economy grew 1.7% in the April-June period, faster than the ONS's previous estimate of a 1.6% expansion. *(Wall Street Journal)*
- **E.U.: European inflation slows to 1.6%, unemployment holds at highest since 1998.** European inflation slowed this month and unemployment held at the highest in almost 12 years in July as companies continued to cut costs to help shore up earnings. Euro-area consumer prices rose 1.6% from a year earlier after increasing 1.7% in July, the European Union statistics office in Luxembourg said last week. The jobless rate held at 10% for a fifth month, according to a separate report. That's the highest since August 1998. *(Bloomberg)*
- **E.U.: Driven by Germany, Europe posts 1% growth.** Europe's economy outpaced the United States and Japan in the second quarter, EU data showed last Thursday, but analysts warned that the German-powered growth would likely lose steam in the second half. The economy in the 16-nation eurozone grew by 1.0% between April and June, compared to quarter-on-quarter growth of 0.4% in the United States and 0.1% in Japan, the European Union's data agency said. Europe was pulled up by Germany's best quarterly performance since reunification in 1990, with growth of 2.2%, according to the Eurostat figures, which confirmed a previous estimate. *(news.smh.au)*
- **Australia: August manufacturing growth slows to weakest pace in five months.** Australian manufacturing growth slowed to the weakest pace in five months as uncertainty about the outcome of national elections and the stronger local currency triggered weaker growth in new orders. The performance of manufacturing index fell 2.7 points to 51.7, the Australian Industry Group and PricewaterhouseCoopers said in a survey released in Canberra today. A figure above 50 shows the industry is expanding. Demand weakened last month as neither Prime Minister Julia Gillard nor opposition leader Tony Abbott gained a majority in

the Aug. 21 election, meaning one side must win negotiations with independent lawmakers to form government. Still, manufacturing has expanded since the start of the year as the nation's economy strengthens, helped by China's demand for raw materials. *(Bloomberg)*

- **Japan: Factory output rises 0.3% in July.** Japan's factory output unexpectedly rose in July for the first time in two months as companies bolstered production of machinery, chemicals and paper despite signs of a slowing global economy. Factory production climbed 0.3% from June, according to the Ministry of Economy, Trade and Industry's monthly report released last Tuesday. The reading beat Kyodo news agency's average market forecast for a 0.3% decline. *(AFP)*
- **Japan: Japan announces fresh stimulus measures.** Japan unveiled an 11 billion dollar stimulus and announced monetary steps to safeguard a fragile economy and curb the impact of a strong yen, but markets were left unimpressed. *(AFP)*
- **Japan: Companies cut spending at slowest pace since 2007 as Japan earnings grow.** Capital spending excluding software fell 1.5% in the three months ended June 30 from a year earlier, after sliding 12.9% in the previous quarter, the Finance Ministry said today in Tokyo. *(Bloomberg)*
- **China: Manufacturing expanded at a faster pace in August** after the weakest growth since February 2009 in the previous month, a government-backed survey of purchasing managers showed yesterday. The Purchasing Managers' Index rose to 51.7 from 51.2. *(Bloomberg)*
- **China: Rebound eases slump fears manufacturing in China, set to become the world's second-largest economy, rebounded in August,** bolstering confidence that the country can propel Asia away from a double-dip recession despite weaknesses in some smaller regional economies. Two purchasing-managers' indexes in China showed that factory activity grew, potentially outweighing declines in South Korea and Taiwan, where the West's sluggish recovery hurt exporters. *(Wall Street Journal)*
- **Malaysia: Broad money supply or M3 expanded at a moderate 9% in July,** reflecting mainly portfolio-related inflows. Bank Negara Malaysia in its Monetary and Financial Developments for July released Friday said the increase was also supported by higher credit extension by the banking system to the private sector. Loan applications continued to increase in July, driven mainly by higher loan demand from businesses in the construction, real estate and finance sectors, while household loans continued to expand as demand for loans remained strong. *(Bernama)*
- **Malaysia: Bank Negara holds OPR at 2.75%.** Bank Negara has decided to maintain the overnight policy rate (OPR) at 2.75% as the global growth momentum has moderated in recent months. *(Bernama)*
- **Malaysia: Malaysia's exports declined for a fourth month in July,** with the latest data from the Statistics

Department released yesterday showing exports grew 13.5% to RM55.43bil from a year ago. Imports expanded by 18.1% to RM48.41bil from a year ago while on a month-on-month basis, July exports rose 4.9% and imports were up 3.5%. *(The Star)*

- **Malaysia: Malaysia narrows BOP deficit in Q2.** The deficit in Malaysia's overall balance of payments (BOP) narrowed to RM1.9 billion in the second quarter of 2010 as against the RM19.6 billion in the first. The improvement was reflected by the swing in the financial account from an outflow of RM19.5 billion to an inflow of RM0.8 billion, which managed to compensate for the lower surplus in the current account, the Statistics Department said. *(Bernama)*

UPCOMING RELEASE (September 6- 10, 2010)

US

- Weekly Mortgage Applications by Mortgage Bankers Association on September 8, 2010.
- July Trade Balance by US Census Bureau on September 9, 2010.
- Weekly Initial Jobless Claims by Department of Labor on September 9, 2010.

Eurozone

- ECB Publishes Sept. Monthly Report on September 9, 2010.

Japan

- August Official Reserve Assets by Ministry of Finance on September 6, 2010.
- July Coincident Index by Economic & Social Research Institute on September 7, 2010.
- July Leading Economic Index by Economic and Social Research Institution (ESRI) on September 7, 2010.
- July Machinery Order by Economic and Social Research Institution (ESRI) on September 7, 2010.
- July BOP Current Account Balance by Ministry of Finance on September 7, 2010.
- July BOP Trade Balance by Ministry of Finance on September 7, 2010.
- 2Q 2010 Gross Domestic Product (GDP) by Economic & Social Research Institute (ESRI) on September 9, 2010.
- September Domestic Corporate Goods Price (CGPI) by BOJ on September 9, 2010.

China

- August Exports by Customs General Administration on September 10, 2010

Malaysia

- Foreign Reserves as at August 30, 2010 by Bank Negara Malaysia (BNM) on September 6, 2010.
- July Industrial Production Index (IPI) by Department of Statistics Malaysia (DOSM) on September 9, 2010.
- July Manufacturing Sales of Products by Department of Statistics Malaysia (DOSM) on September 9, 2010.