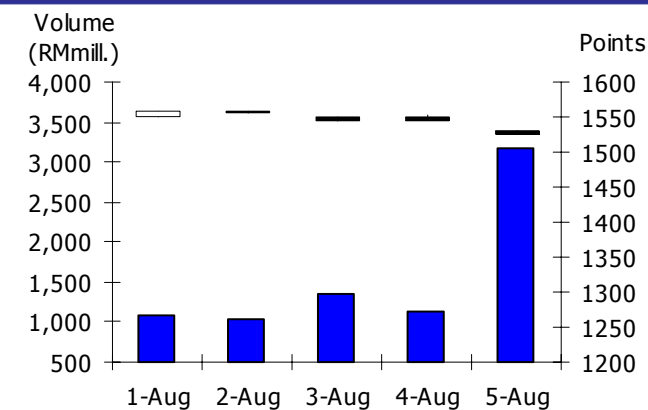


WEEKLY CLOSING IN MAJOR MARKET INDICES

	29-Jul	5-Aug	%w/w	%ytd
KL Composite	1,548.81	1,524.43	-1.6	19.8
Dow Jones	12,143.24	11,444.61	-5.8	9.7
Nikkei 225	9,833.03	9,299.88	-5.4	-11.8
DAX Index	7,158.77	6,236.16	-12.9	4.7
UK FTSE100	5,815.19	5,246.99	-9.8	-3.1
AUS ORD 30	4,500.50	4,169.70	-7.4	-14.6
STI Index	3,189.26	2,994.78	-6.1	3.4
Hang Seng	22,440.25	20,946.14	-6.7	-4.2
SSE Index	2,701.73	2,626.42	-2.8	-19.9

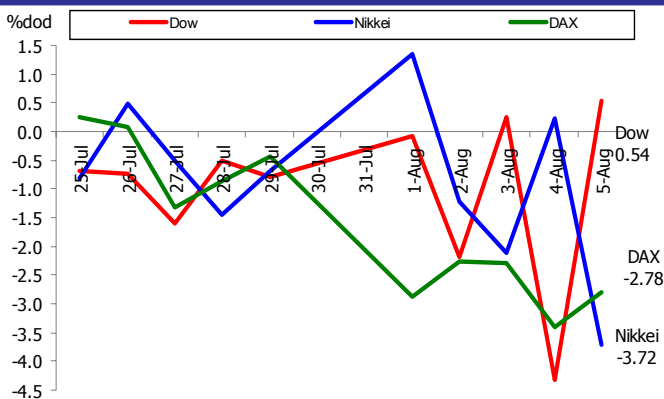
Source: Bloomberg, Bursa Malaysia

KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

MAJOR STOCK INDICES (DAILY % CHANGE)

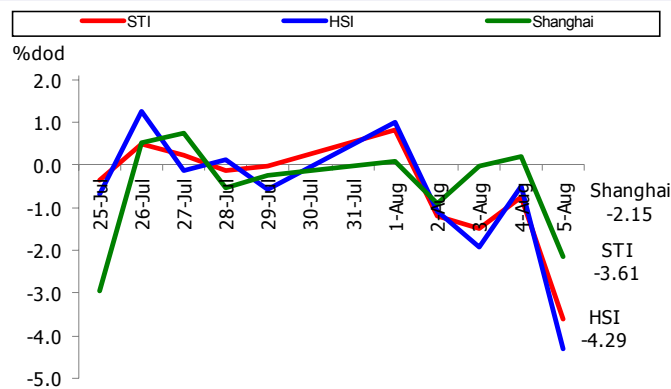


Source: Bloomberg, Bursa Malaysia

STOCK MARKET HIGHLIGHTS

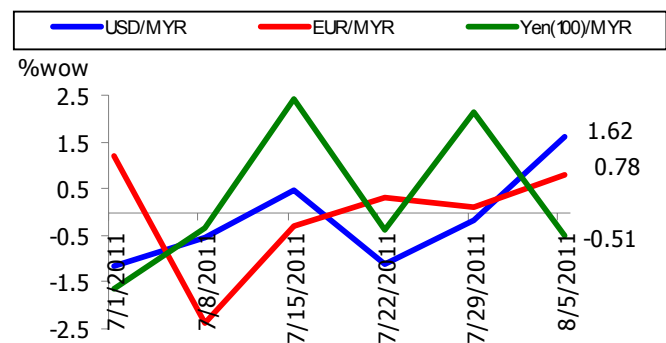
- U.S. stocks fell the most in 32 months last week, erasing the Standard & Poor's 500 Index's 2011 advance, as investors fled equities amid signs that the economy is stalling. An early rally faded last week as concern grew that S&P would cut the American credit rating, speculation which proved to be true after financial markets closed. Bank of America Corp. and Alcoa Inc. tumbled more than 13%, leading losses in the Dow Jones Industrial Average. Caterpillar Inc. retreated 7.9%, while General Electric Co. sank 7.8%. Energy and materials companies in the S&P 500 fell 9.5% or more, the most among 10 industries, as every group declined. Losses exceeded 10% for 167 out of 500 companies in the index, and nine rose. The S&P 500 slumped 7.2% to 1,199.38, the biggest weekly drop since November 2008 and the lowest level since Nov. 30, 2010. The Dow rose 60.93 points last week. For the week, it dropped 698.63 points, or 5.8%, to 11,444.61. The measures erased year-to-date gains that reached 8.4% and 11% as of April 29, respectively.
- U.K. stocks fell for a sixth day as the FTSE 100 Index recorded its biggest weekly loss in almost three years, even after a report showed the U.S. added more jobs than expected last month. Oil and mining stocks retreated as BP Plc, Royal Dutch Shell Plc and Rio Tinto Group fell. Glencore International Plc surged 4.6%, snapping eight days of losses. The FTSE 100 dropped 146.15 points, or 2.7%, to 5,246.99 at the 4:30 p.m. close in London, bringing the decline for the week to 9.8%, the most since November 2008 and its longest streak of losses since March. Better-than-expected U.S. job figures failed to assuage concern over the strength of the global economic recovery. The FTSE All-Share Index dropped 2.7%, while Ireland's ISEQ Index declined 1.5%.
- Japanese stocks plunged by the most in more than four months, as concern the global economy is stalling triggered an equities rout that drove the Standard & Poor's 500 Index to its worst slump since 2009. Sony Corp., which makes half of its sales in the U.S. and Europe, tumbled 5%. Nomura Holdings Inc., Japan's largest brokerage, plunged 5.4% to the lowest level since February 1975. Inpex Corp., Japan's biggest energy exploration company, plummeted 6.8% after crude prices dropped. The Nikkei 225 Stock Average fell 3.7% to 9,299.88 at the 3 p.m. close in Tokyo, sliding the most since March 15. All but nine stocks declined on the 225-member gauge. The broader Topix index plunged 3.1% to 800.96. For the week, the Nikkei lost 5.4% while the Topix index dropped 4.8%, the biggest weekly declines since the five-day period following Japan's March 11 earthquake.
- China's stocks fell, capping the benchmark index's worst week since May, as global equities markets plunged on concern slumping U.S. growth and Europe's debt crisis will push the world economy into recession. Jiangxi Copper Co. and Aluminum Corp. of China Ltd., the biggest producers of copper and aluminum, tumbled more than 3% after aluminum and zinc futures slid by the daily limit in Shanghai. Industrial & Commercial Bank of China Ltd. led declines by lenders on speculation the central bank will keep tightening monetary poli-

REGIONAL STOCK INDICES (DAILY % CHANGE)



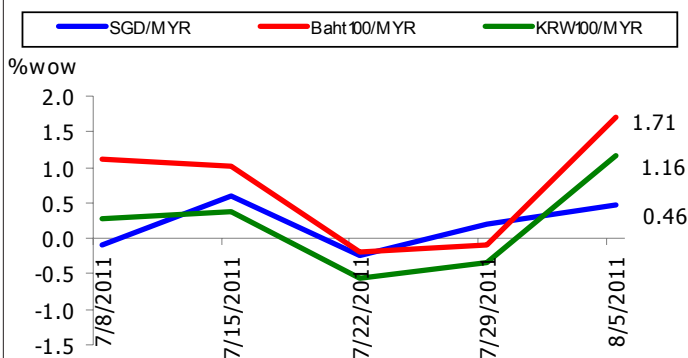
Source: Bloomberg, Bursa Malaysia

RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



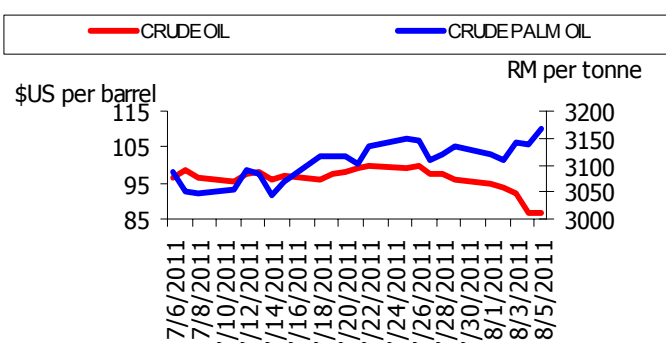
Source: Bloomberg, Bursa Malaysia

RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

cies to tame inflation. The Shanghai Composite Index, which tracks the bigger of China's stock exchanges, slumped 57.6 points, or 2.2%, to 2,626.42 at the 3 p.m. close, the lowest since June 20. The CSI 300 Index declined 2.1% to 2,897.42. The Shanghai gauge has fallen 2.8% last week on concern an agreement to raise America's debt ceiling won't be enough to avoid credit ratings downgrades. A report showing consumer spending dropping by the most in almost two years boosted speculation the world's biggest economy may slip back into recession. China is scheduled to release economic data including the July inflation report on Aug. 9.

- Hong Kong's Hang Seng Index fell the most in more than 18 months and its volatility index had the biggest surge on record, as exporters and commodity stocks tumbled amid a global equity rout triggered by signs the world economy is weakening. Li & Fung Ltd., a supplier of toys and clothes to retailers including Wal-Mart Stores Inc., tumbled 4%, while Techtronic Industries Co., maker of Ryobi power tools and Hoover vacuum cleaners, sank 7.3%. Esprit Holdings Ltd., a clothier that gets most of its revenue from Europe, dropped 7.6%. Cnooc Ltd., China's biggest offshore oil producer by market value, slumped 5.9% as crude headed for its steepest weekly drop in three months. The Hang Seng Index dropped 4.3% to 20,946.14 at the close, its biggest decline since November 2009. All 46 stocks on the measure fell. The gauge slid 6.7% for the week, which is the steepest drop since the period ended March 6, 2009. The Hang Seng China Enterprises Index of Chinese companies' H shares sank 3.9% to 11,434.59.
- The local stock exchange suffered a sharp correction last week, after initial optimism over the deal in Washington to raise the US debt ceiling and slash the federal deficit was overshadowed by a surprise dip in American consumer spending in June. Speculation of a third quantitative easing (QE3) in the US was offset by heightened concerns that the US economy could fall back into a recession and that debt problems in Europe will spread, triggering a sharp sell-off on Thursday which spilled over to drag global markets sharply lower last Friday. Subsequently, the FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) tumbled 24.38 points, or 1.57%, for the week to 1,524.43, with Public Bank (-30 sen), Genting Bhd (-36 sen), Petronas Chemical (-26 sen), MISC (-45 sen) and IOI Corp (-16 sen) representing over half of the index's losses.

ECONOMIC HIGHLIGHTS

- **U.S.: Manufacturing index falls to two-year low.** Manufacturing in the U.S. almost stalled in July, threatening to deprive the two-year recovery of one of its main drivers. The Institute for Supply Management's factory index slumped to 50.9, the lowest since July 2009, from 55.3 a month earlier, the Tempe, Arizona-based group said. Figures less than 50 signal contraction, and the July index was lower than the most pessimistic forecast in a Bloomberg News survey. (Bloomberg)
- **U.S.: Reduces July-to-September estimate of borrowing needs to \$331 billion.** The U.S. Treasury Department reduced its estimate for government borrowing from July to September to \$331 billion, reflecting lower spending. The current quarter's borrowing projection is \$74 billion less than estimated three months ago, the department said in a statement in Washington. The Treasury also projected borrowing of \$285 billion from October through December. In the quarter that ended June 30, the Treasury borrowed \$190 billion, compared with a previous estimate of \$142 billion. (Bloomberg)

- **U.S.: Consumer spending in U.S. unexpectedly falls for first time in two years.** U.S. consumer spending unexpectedly dropped in June for the first time in almost two years and savings climbed, adding to evidence that the slump in hiring is hurting household confidence. Purchases declined 0.2% after a 0.1% gain the prior month, Commerce Department figures showed in Washington. The median estimate of 77 economists surveyed by Bloomberg News called for a 0.1% increase. Incomes grew at the slowest pace since November. *(Bloomberg)*
- **U.S.: Service industries grow at slowest pace in 17 months on job prospects.** Service industries expanded in July at the slowest pace in 17 months as orders and employment cooled, indicating the biggest part of the U.S. economy had little spark to begin the second half of the year. The Institute for Supply Management's index of non-manufacturing businesses, which covers about 9% of the economy, dropped to 52.7 from 53.3 in June. Readings above 50 signal expansion, and the median projection in a Bloomberg News survey was for 53.5 in July. Companies hired fewer workers last month than in June, a report from ADP Employer Services showed. *(Bloomberg)*
- **U.S.: Consumer confidence in U.S. fell last week to two-month low.** Consumer confidence in the U.S. dropped last week to the lowest level in more than two months, paced by growing dissatisfaction among women and high earners. The Bloomberg Consumer Comfort Index was minus 47.6 in the period to July 31, the lowest since May, compared with minus 46.8 the prior week. Confidence among women fell to the lowest level since October 2009, while Americans making more than \$100,000 a year were the most pessimistic since November 2009. *(Bloomberg)*
- **U.S.: U.S. jobless claims fall to level showing limited labor-market improvement.** Initial claims for unemployment insurance payments in the U.S. fell last week to a level that shows limited improvement in the labor market. Applications for jobless benefits decreased 1,000 in the week ended July 30 to 400,000, the fewest in almost four months, the Labor Department said in Washington. Economists forecast 405,000 claims, according to the median estimate in a Bloomberg News survey. The four-week average also declined to the lowest level since April. *(Bloomberg)*
- **U.K.: Interest rates remain on hold at 0.5%.** UK interest rates have been kept at a record low of 0.5% by the Bank of England's Monetary Policy Committee (MPC). Economists had expected interest rates would remain unchanged due to the subdued economy. GDP figures for the second quarter showed growth of 0.2%. A majority of economists polled by the BBC expect interest rates to remain unchanged until next year. *(BBC News)*
- **U.K.: Service sector growth accelerating, PMI survey says.** Activity in the UK's service sector expanded in July at its fastest rate for four months, an industry survey has suggested. The Markit/Cips services purchasing managers' index (PMI) rose to 55.4 in July from 53.9 in June. A figure above 50 indicates growth. The figure surprised analysts who had expected a slowdown in activity. However, the survey also indicated that the service sector cut jobs despite the increased activity. Employment in the sector had increased slightly during the previous two months. Increases in the cost of goods bought by firms slowed, but costs remained relatively high as a result of energy price increases and supply chain constraints. Despite this, stiff competition meant that inflation in the cost of goods bought from service companies was at its lowest rate for 10 months. *(BBC News)*
- **U.K.: Manufacturing sector contracts in July.** The UK's manufacturing sector contracted in July for the first time in two years, a survey suggests. The Markit/Cips manufacturing purchasing managers' index (PMI) for July fell to 49.1, down from a revised 51.4 in June. A figure below 50 indicates contraction. The survey also reported job losses in the sector for the first time since March last year. *(BBC News)*
- **E.U.: Eurozone inflation unexpectedly slows in July to 2.5%.** Eurozone inflation unexpectedly slowed in July to 2.5%, raising questions about when the European Central Bank (ECB) might raise interest rates again. The preliminary estimate is down from 2.7% in June, according to the European Union statistics office Eurostat. The July reading comes as a surprise after data suggested inflation in Germany, Europe's largest economy, edged up to 2.4%. The ECB has raised rates twice so far this year to try to control inflation. The central bank wants to keep inflation below 2%. *(BBC News)*
- **E.U.: Eurozone June producer price inflation allows.** Eurozone producer price inflation eased to 5.9% in June, in line with expectations, from 6.2% in May, Eurostat said. On a monthly basis, industrial producer prices remained flat in June, following a 0.2% drop in the previous month. Economists were expecting a 0.1% rise for June. *(RTT News)*
- **China: July home prices rise at slowest in 11 months on government curbs.** China's home prices rose at the slowest pace in 11 months in July after the government expanded efforts to curb the risk of an asset bubble, according to SouFun Holdings Ltd. (SFUN) Home prices gained 0.2% in July from June, the slowest since August last year. Residential prices increased in 66 out of 100 cities tracked by the nation's biggest real-estate website owner, with average home values nationwide climbing to 8,874 yuan (\$1,378) a square meter (10.76 square feet), SouFun said on its website. *(Bloomberg)*
- **China: Manufacturing growth exceeds estimates.** China's manufacturing slowed less than economists estimated in July even as smaller businesses were hurt by tighter credit and weakness in export demand. The Purchasing Managers' Index was at 50.7 compared with 50.9 in June, the China Federation of Logistics and Purchasing said in a statement in its website. That exceeded each forecast in a Bloomberg News survey of 13 economists. A separate measure released by HSBC Holdings Plc contracted for the first time in a year. *(Bloomberg)*
- **China: Non-manufacturing industries expanded in July, PMI surveys show.** A Chinese non-manufacturing index rose for the first time in three months in July, indicating some industries are withstanding the government's campaign to cool inflation in the world's fastest-growing major economy. A purchasing managers' index rose to 59.6 from 57 in June, the China Federation of Logistics and Purchasing said on its website. A reading above 50 indicates growth. A separate measure released by HSBC Holdings Plc and Markit Economics showed a moderating pace of expansion. *(Bloomberg)*

- **Malaysia: Net financing to private sector RM24bil higher in June.** Net financing to the private sector expanded by RM24.1bil or 12.9% in June versus RM17.5bil or 12.2% in May, driven by higher private debt security (PDS) issuances, Bank Negara said in a statement. Year-on-year, banking system loans outstanding for households and businesses moderated 12.8% and 12.1% in June. Private sector liquidity, as measured by broad money (M3), expanded at a higher annual rate of 12.4% in June. "The increase in M3 reflected credit extended by the banking system to the private sector and portfolio inflows," said the central bank. (*The Star*)
- **Malaysia: Malaysia recorded a trade surplus of RM7.60 billion in June,** making it the 164th consecutive month of trade surplus since November 1997, said International Trade and Industry Minister Datuk Seri Mustapa Mohamed. Exports increased 8.6% to RM57.35 billion during the month under review from RM52.83 billion recorded in June last year, he said. Imports rose 6.3% to RM49.75 billion in June against RM46.61 billion registered a year ago. On a month-on-month basis, exports in June 2011 increased 4.1%, imports expanded 6.8% and total trade increased 5.3%. (*Bernama*)

UPCOMING RELEASE (August 8 - August 12, 2011)

US

- Announcement of Federal Funds Target Rate by Federal Reserve on August 9, 2011.
- Weekly Mortgage Applications by Mortgage Bankers Association on August 10, 2011.
- June Trade Balance by US Census Bureau on August 11, 2011.
- Weekly Initial Jobless Claims by Department of Labor on August 11, 2011.
- July Advance Retail Sales by US Census Bureau on August 12, 2011.

Eurozone

- ECB Publishes Aug. Monthly Report on August 11, 2011.
- June Industrial Production Index (IPI) by Eurostat on August 12, 2011.

Japan

- July Bankruptcies Cases by Tokyo Shoko Research Ltd on August 8, 2011.
- July Economy Watchers Survey by Economic & Social Research Institute (ESRI) on August 8, 2011.
- July Money Supply M2 by Bank of Japan (BOJ) on August 8, 2011.
- July Money Supply M3 by Bank of Japan (BOJ) on August 8, 2011.
- July Consumer Confidence by Economic and Social Research Institute (ESRI) on August 9, 2011.
- July Machine Tool Orders by Japan Machine Tool Builder's Association on August 9, 2011.
- July Domestic Corporate Goods Price (CGPI) by BOJ on August 9, 2011.

- June Machinery Order by Economic and Social Research Institution (ESRI) on August 10, 2011.
- June Industrial Production Index (IPI) by Ministry of Economy, Trade and Industry on August 12, 2011.
- June Capacity Utilization by Ministry of Economy, Trade and Industry on August 12, 2011.

China

- July Producer Price Index by National Bureau of Statistics on August 8, 2011.
- July Consumer Price Index by National Bureau of Statistics on August 8, 2011.
- July Industrial Production Index by National Bureau of Statistics on August 8, 2011.
- July Retail Sales by National Bureau of Statistics on August 8, 2011.
- July Exports by Customs General Administration on August 9, 2011.
- July Imports by Customs General Administration on August 9, 2011.
- July Trade Balance by China Economic Information Network (CEIN) on August 9, 2011.
- July Actual FDI by China Ministry of Commerce on August 9-15, 2011.
- July New Yuan Loans by The People's Bank of China on August 10-15, 2011.
- July Money Supply M0, M1, M2 by The People's Bank of China on August 10-15, 2011.

Malaysia

- June Industrial Production Index (IPI) by Department of Statistics Malaysia (DOSM) on August 10, 2011.
- June Manufacturing Sales of Products by Department of Statistics Malaysia (DOSM) on August 10, 2011.