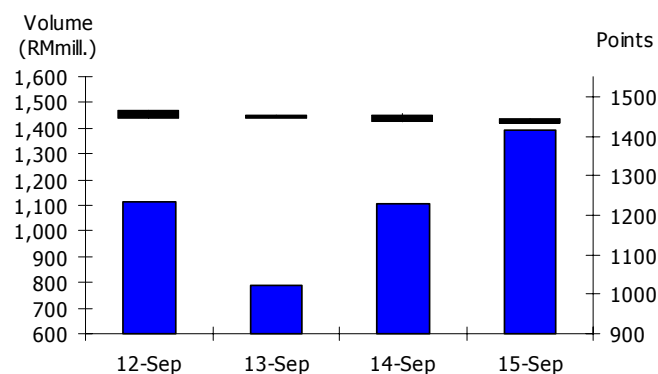


### WEEKLY CLOSING IN MAJOR MARKET INDICES

	9-Sep	16-Sep	%wow	%ytd
KL Composite	1,469.12	1,430.93	-2.6	-5.8
Dow Jones	10,992.13	11,509.09	4.7	-0.6
Nikkei 225	8,737.66	8,864.16	1.4	-13.3
DAX Index	5,189.93	5,573.51	7.4	-19.4
UK FTSE100	5,214.65	5,368.41	2.9	-9.0
AUS ORD 30	4,277.40	4,229.90	-1.1	-12.7
STI Index	2,825.10	2,789.04	-1.3	-12.6
Hang Seng	19,866.63	19,455.31	-2.1	-15.5
SSE Index	2,497.75	2,482.34	-0.6	-11.6

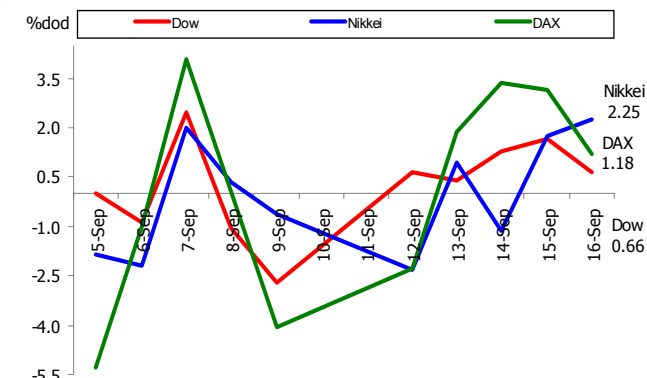
Source: Bloomberg, Bursa Malaysia

### KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

### MAJOR STOCK INDICES (DAILY % CHANGE)

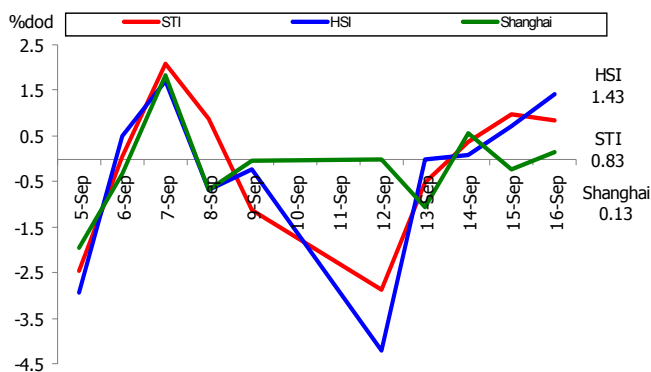


Source: Bloomberg, Bursa Malaysia

### STOCK MARKET HIGHLIGHTS

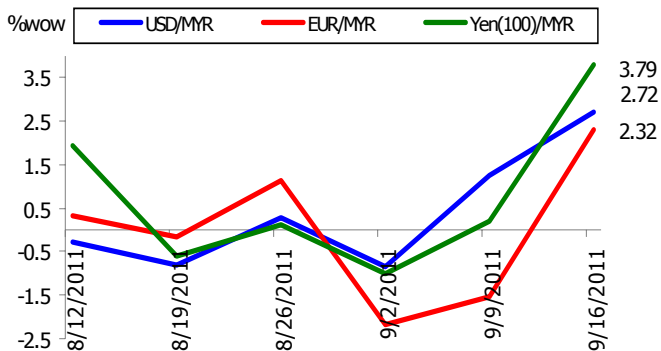
- U.S. stocks advanced for a fifth straight day, the longest rally since July for the Standard & Poor's 500 Index, amid optimism that European leaders will make further progress on controlling the region's debt crisis.** Amazon.com Inc. jumped 5.5% to a record, while Procter & Gamble Co. gained 2.5% as a report showed that confidence among U.S. consumers rose. Textron Inc., Tyco International Ltd. and Rockwell Collins Inc. added more than 3.1% after a report that United Technologies Corp. is lining up financing for an acquisition. Bank of America Corp. and JPMorgan Chase & Co. slumped at least 1.1%. The S&P 500 rose 0.6% to 1,216.01 at 4 p.m. New York time. The index gained 5.4% since Sept. 9, its third- biggest weekly rally since 2009. The Dow Jones Industrial Average added 75.91 points, or 0.7%, to 11,509.09. The rally trimmed the gauge's drop this year to 0.6%.
- U.K. stocks gained for a fourth day as European officials met in Poland to discuss how they can expand the new bailout fund for the euro area.** Barclays Plc climbed 3.4%, extending its biggest weekly advance since February 2010. BG Group Plc rose amid speculation a Chinese oil producer may be interested in the company's Brazilian business. Inmarsat Plc rallied 6.9%. The FTSE 100 Index increased 30.87, or 0.6%, to 5,368.41 at the 4:30 p.m. close in London, bringing last week's advance to 3%. The FTSE All-Share Index also gained 0.6%, while Ireland's ISEQ Index rose 1.4%. Stocks jumped yesterday after Germany and France reaffirmed that Greece will remain a member of the euro and the European Central Bank announced coordinated measures with the Federal Reserve to ensure euro-area lenders have enough dollars.
- The Nikkei 225 Stock Average rose by the most in more than five months after the European Central Bank and international policy makers coordinated to lend dollars to euro-area banks, increasing confidence the region's debt crisis will be contained.** Mitsubishi UFJ Financial Group Inc. climbed 4.6%, leading gains among Japan's largest lenders. Canon Inc., a maker of cameras and copiers that counts on Europe for almost a third of its sales, rose 4.3%. Olympus Corp. jumped 7.4% after Citigroup Inc. started coverage of the optical-equipment maker with a "buy" rating. The Nikkei 225 gained 2.3% to 8,864.16 at the 3 p.m. close in Tokyo, the biggest advance since March 30. The broader Topix rose 2.2% to 768.13 last week after central banks took joint action to ensure liquidity to Europe's lenders.
- Hong Kong's Hang Seng Index rose, paring its weekly loss, amid optimism a coordinated effort led by the European Central Bank to lend dollars to euro-area banks will contain the region's debt crisis.** HSBC Holdings Plc, Europe's largest bank by market value, gained 3.1%. Cnooc

## REGIONAL STOCK INDICES (DAILY % CHANGE)



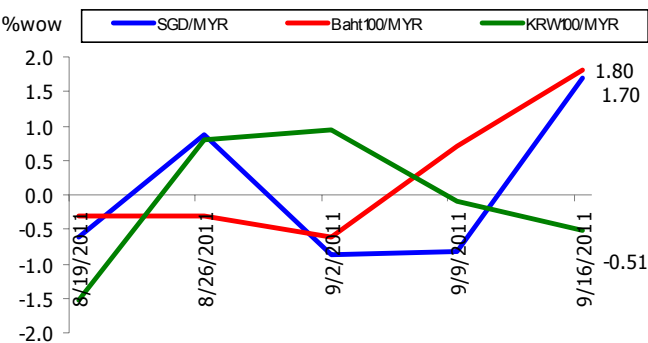
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



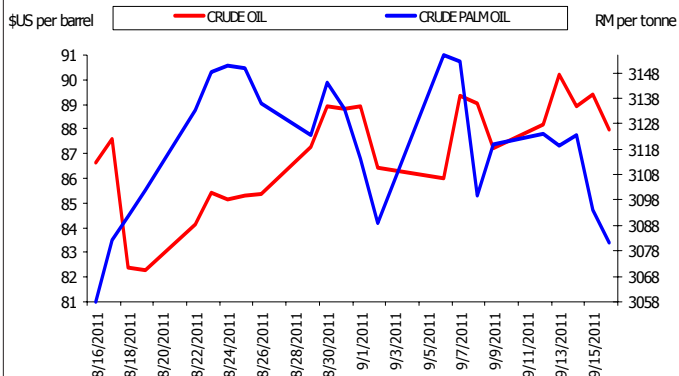
Source: Bloomberg, Bursa Malaysia

## RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

## CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

Ltd., China's biggest offshore oil producer by market value, increased 3.4% after crude prices rose last week. Esprit Holdings Ltd., the clothier that gets most of its revenue from Europe, tumbled 19% after saying its full-year profit plunged 98%. The Hang Seng Index rose 1.4% to 19,455.31 at the close, climbing for a third day and paring its weekly decline to 2.1%. About three stocks gained for each that declined in the 46-member gauge. The Hang Seng China Enterprises Index of Chinese companies listed in Hong Kong gained 2% to 10,249.20.

- China's benchmark stock index rose, trimming a weekly loss, after foreign direct investment climbed and the European Central Bank and international policy makers coordinated to lend dollars to banks to tame the credit crisis.** China Minsheng Banking Corp. rose 0.9% after Shanghai Securities News reported the regulator may allow lenders to conduct asset securitization to ease liquidity. Southwest Securities Co. advanced 1.4% after saying it will buy a stake in a fund management firm. Poly Real Estate Group Co., China's second-largest developer by market value, fell for the first time in five days on a newspaper report Shanghai's new-home inventories reached a record. The Shanghai Composite Index, which tracks the bigger of China's stock exchanges, added 3.29 points, or 0.1%, to 2,482.34 at the 3 p.m. close. It retreated 0.6% last week, capping a third weekly loss. The CSI 300 Index climbed 0.2% to 2,733.99 Friday.
- KLCI falls to fresh one-year low.** The FBM KLCI fell to a fresh one-year low on Thursday, Sept 15 as investors took profit ahead of the extended weekend in conjunction with the Malaysia Day holiday on Friday. The FBM KLCI fell 0.46% or 6.68 points to close at 1,430.93, the lowest level in a year, since Sept 1, 2010, dragged by losses at blue chips including at Sime Darby and CIMB. The index had earlier fallen to its intraday low of 1,427.75 but managed to pare down some of its losses. Losers beat gainers by 393 to 291, while 296 counters traded unchanged. Volume was 729.27 million valued at RM1.53 billion.

## ECONOMIC HIGHLIGHTS

- U.S.: Prices of goods imported into U.S. decline for second time in three months.** Prices of goods imported into the U.S. fell in August for the second time in three months as the cost of oil and food dropped while autos stabilized. The 0.4% decline in the import-price index followed a 0.3% increase in July, Labor Department figures showed in Washington. Economists projected a 0.8% decrease, according to the median of 52 estimates in a Bloomberg News survey. Prices excluding fuel rose 0.2%. (Bloomberg)
- U.S.: Budget deficit in U.S. grew to \$134.2 billion in August on calendar effect.** The U.S. government's budget deficit widened in August, primarily reflecting a calendar-related jump in spending compared with the same month last year. The gap climbed to \$134.2 billion last month, exceeding the August 2010 shortfall of \$90.5 billion, according to the Treasury Department's monthly budget statement issued in Washington. For the fiscal year to date, the deficit increased to \$1.23 trillion, less than at the same point in 2010. (Bloomberg)
- U.S.: Retail sales stall on lack of job growth.** Retail sales in the U.S. unexpectedly stagnated in August as a lack of employment and limited income growth restrained demand, highlighting the risk the economy will stall. The unchanged

reading followed a 0.3% gain for July that was smaller than previously estimated, Commerce Department figures showed in Washington. Prices paid by producers were also unchanged in August, according to the Labor Department, while so-called core costs that exclude food and fuel rose less than forecast. (*Bloomberg*)

- **U.S.: Wholesale prices in U.S. are little changed as energy, vehicle costs drop.** Wholesale prices in the U.S. were little changed in August as costs decreased for energy and automobiles. The producer price index was unchanged after a 0.2% increase in July, Labor Department figures showed in Washington. Economists projected no change, according to the median estimate in a Bloomberg News survey. The so-called core measure, which excludes volatile food and energy, rose 0.1%, less than forecast. (*Bloomberg*)
- **U.K.: Inflation accelerates to 4.5%, meets estimates as clothes prices jump.** U.K. inflation accelerated in August as the end of seasonal discounts boosted prices for items such as clothes and furniture. Consumer prices rose 4.5% from a year earlier, the fastest in three months, compared with 4.4% in July, the Office for National Statistics said in London. That matched the median estimate of 34 economists in a Bloomberg News survey. A separate report showed exports and imports rose to record levels in July. (*Bloomberg*)
- **U.K.: Unemployment total rises sharply to 2.51 million.** The number of people unemployed in the UK rose by 80,000 to 2.51 million in the three months to July, official figures have shown. This is the largest increase in nearly two years, the Office for National Statistics (ONS) said. The jobless rate now stands at 7.9%. Youth unemployment also rose sharply, by 78,000 to 973,000. The total claiming Jobseeker's Allowance rose by 20,300 in August to 1.58 million. The number of people in employment in the economy fell in the three months to July, by 69,000 to 29.17 million. (*BBC News*)
- **U.K.: Mortgage lending still subdued, lenders say.** The number of mortgages lent in July was still much lower than a year ago, figures from the Council of Mortgage Lenders show. The number of new loans to house buyers was 48,400 in July, up 1,000 from June but still 6,900 lower than a year ago. The number of first-time buyers, at 18,200, fell back by just 300 from June and was 1,300 down on a year ago. (*BBC News*)
- **Japan: Domestic CGPI eases 0.2% on month in August.** An index measuring the prices for domestic corporate goods was down a seasonally adjusted 0.2% in August, the Bank of Japan said on Monday, standing at 105.5. That matched forecasts following the upwardly revised 0.3% increase in July. On an annual basis, prices added 2.6%, just shy of forecasts for an increase of 2.7% following the 2.9% gain in the previous month. (*Bloomberg*)
- **Japan: Economy weaker than estimated in second quarter.** Japan's economy contracted more severely in the second quarter than was initially estimated, revised government data has shown. The economy shrank at an

annual rate of 2.1% during the period, compared with the 1.3% drop reported previously. The decline came as companies cut back spending due to concerns about a slowing global economy and a rising yen. (*BBC News*)

- **China: Trade surplus narrows more than estimated as imports climb to record.** China's imports climbed to a record and exports grew more than expected last month, indicating resilience in the world's second-biggest economy as the U.S. and European recoveries falter. Inbound shipments jumped 30.2% from a year earlier to \$155.6 billion, the customs bureau said on its website. That pace exceeded the estimates of all 29 economists in a Bloomberg News survey. Exports climbed a more-than-expected 24.5%, leaving a trade surplus of \$17.76 billion. (*Bloomberg*)
- **China: New lending rises 13.5% in August to 548.5 billion Yuan, PBOC says.** China's new lending rose to 548.5 billion yuan (\$85.9 billion) in August and money supply growth expanded at the slowest pace in at least six years. New local-currency lending compared with the 500 billion yuan median estimate in a Bloomberg News Survey of 26 economists and 492.6 billion yuan in July. M2, the broadest measure of money supply, rose 13.5%, the People's Bank of China said in a statement on its website. That compared with the 14.2% median estimate in the survey and a 14.7% gain in July. It's the slowest pace since at least January 2005, according to Bloomberg data. (*Bloomberg*)
- **China: Inflation eases from three-year high, giving room for pause on rates.** China's inflation eased in August from a three-year high and industrial output growth moderated, adding to evidence that higher interest rates and lending curbs are cooling the world's second-biggest economy. Consumer prices rose 6.2% from a year earlier, the National Bureau of Statistics said, matching the median forecast in a Bloomberg News survey of 31 economists. Industrial output expanded 13.5%, the smallest gain in three months. (*Bloomberg*)
- **Malaysia: Bank Negara Malaysia's (BNM) international reserves amounted to RM412.1 billion (equivalent to US\$136.3 billion) as at Aug 29, 2011.** In a statement, BNM said the reserves position was sufficient to finance 9.6 months of retained imports and was 4.5 times the short-term external debt. (*Bernama*)
- **Malaysia: Industrial Production Index (IPI) in July 2011 decreased by 0.6%** as compared with the same month last year. Month-on-month, the IPI decreased 0.6%, the Statistics Department said. It said the decline in July was mainly due to the decrease of mining index of 7.5%. However, the index for manufacturing and electricity posted an increase of 1.5% and 4.6%, respectively, it said. (*Bernama*)
- **Malaysia: July's manufacturing sector records double-digit growth.** The sales value of the manufacturing sector in July posted a year-on-year (y-o-y) double digit growth of 10.8% to RM50.4 billion against RM45.4 billion recorded in July 2010. On a monthly basis, the sales value was a revised positive 10% y-o-y to record RM49.5 billion. Total employees engaged in the manufacturing sector in July were 0.3% lower at 1,019,614 compared with the preceding month. Year-on year, the number of workers employed, however, was revised a positive 4.3% to 1,022,335 in July compared with 986,375

persons recorded in the same period last year. Meanwhile, total salaries and wages paid in July 2011 was a revised positive 11.6% y-o-y, to record RM2,452.2 million. (Bernama)

## **UPCOMING RELEASE (September 19-23, 2011)**

### **US**

- August Housing Starts by Department of Commerce on September 19, 2011.
- Weekly Mortgage Applications by Mortgage Bankers Association on September 21, 2011.
- July Existing Home Sales by National Associate of Realtors on September 21, 2011.
- Minutes of FOMC Meeting on September 21, 2011.
- Weekly Initial Jobless Claims by Department of Labor on September 22, 2011.
- July Home Price Index by S&P/Case Shiller on September 22, 2011.

### **Eurozone**

- July Construction Output by Eurostat on September 19, 2011.
- September Composite PMI Output by Markit on September 22, 2011.
- September Composite PMI Manufacturing by Markit on September 22, 2011.
- September Composite PMI Services by Markit on September 22, 2011.
- July Industrial New Orders by Eurostat on September 22, 2011.
- August Euro-Zone Consumer Confidence by Eurostat on September 22, 2011

### **Japan**

- July Coincident Index by Economic & Social Research Institute on September 20, 2011.
- July Leading Economic Index by Economic and Social Research Institution (ESRI) on September 20, 2011.
- August Merchandise Trade Balance Ministry of Economy, Trade and Industry on September 20, 2011.

### **China**

- September Leading Index by National Bureau of Statistics on September 20, 2011.
- September PMI Manufacturing by China Federation of Logistics on September 21, 2011.

### **Malaysia**

- August Consumer Price Index (CPI) by Department of Statistics Malaysia (DOSM) on September 21, 2011.
- Foreign Reserves as at September 15, 2011 by Bank Negara Malaysia (BNM) on September 22, 2011.