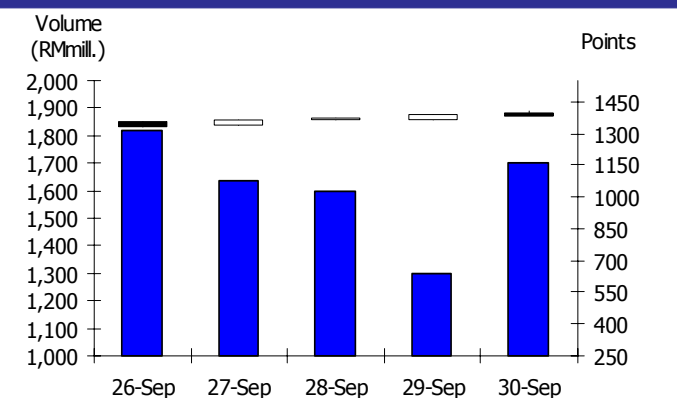


WEEKLY CLOSING IN MAJOR MARKET INDICES

	23-Sep	30-Sep	%wow	%ytd
KL Composite	1,365.94	1,387.13	1.6	-8.7
Dow Jones	10,771.48	10,913.38	1.3	-5.7
Nikkei 225	8,560.26	8,700.29	1.6	-14.9
DAX Index	5,196.56	5,502.02	5.9	-20.4
UK FTSE100	5,066.81	5,128.48	1.2	-13.1
AUS ORD 30	3,978.50	4,070.10	2.3	-16.0
STI Index	2,698.80	2,675.16	-0.9	-16.1
Hang Seng	17,668.83	17,592.41	-0.4	-23.6
SSE Index	2,433.16	2,359.22	-3.0	-16.0

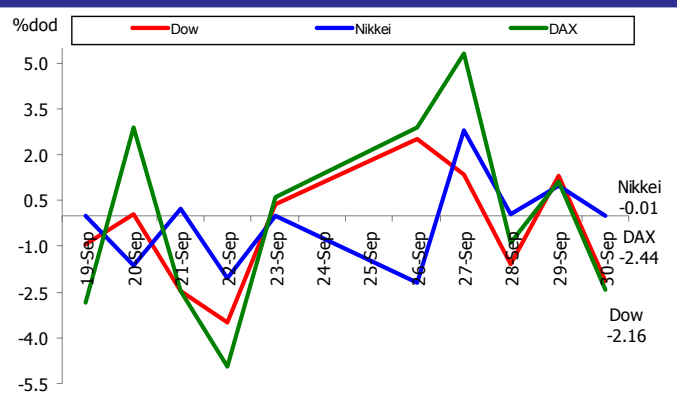
Source: Bloomberg, Bursa Malaysia

KLCI DAILY PERFORMANCE



Source: Bloomberg, Bursa Malaysia

MAJOR STOCK INDICES (DAILY % CHANGE)

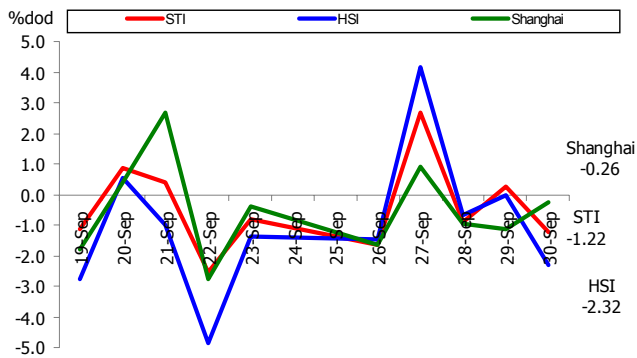


Source: Bloomberg, Bursa Malaysia

STOCK MARKET HIGHLIGHTS

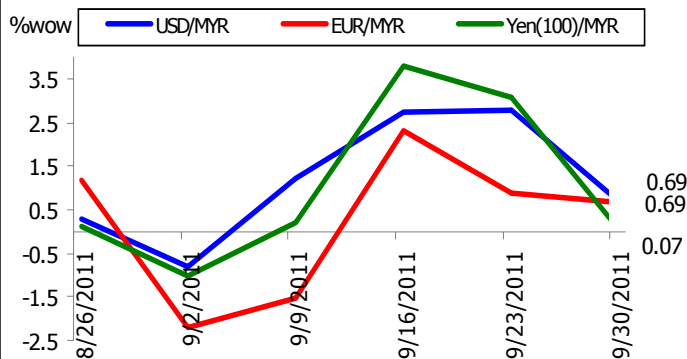
- U.S. stocks fell last week, capping the worst quarterly loss for the Standard & Poor's 500 Index since the end of 2008, as the sovereign debt crisis in Europe and fears of a global slowdown overshadowed improving economic reports in the U.S.** Alcoa Inc. and Intel Corp. lost more than 3.7% as economic reports from China and Germany fueled investor concerns the world economy may contract. Micron Technology Inc. slid 24% after reporting an unexpected loss, while Advanced Micro Devices Inc. cut its sales forecast, sending the shares down 18%. Genworth Financial Inc. rallied 13% after Germany approved an expansion of a European bailout fund. The Standard & Poor's 500 Index lost 0.4% to 1,131.42, dropping for a second straight week after a 2.5% drop on the final day erased earlier advances. The Dow Jones Industrial Average rose 141.9 points, or 1.3%, to 10,913.38, after declining 6.4% the previous week.
- U.K. stocks declined, with the benchmark FTSE 100 Index posting its biggest quarterly drop since 2002, after reports on Chinese manufacturing and German retail sales added to evidence that the economy is faltering.** Standard Chartered Plc, Kazakhmys Plc and Intertek Group Plc, which all make at least 30% of their revenue in Asia, led the drop. BP Plc fell after a person with knowledge of the matter said the company's \$7.1 billion deal to sell Pan American Energy LLC is at risk of collapse. WPP Plc, the world's largest advertising company, declined 4.5% as analysts downgraded the shares. The benchmark FTSE 100 Index retreated 68.36, or 1.3%, to 5,128.48 in London, for a 4.9% decline this month. The index has risen 1.2% last week as policy makers increased efforts to contain the region's sovereign-debt crisis. The gauge still posted a 14% loss this quarter amid concern that Greece's debt woes will spread to other countries in the region and that the economy is stalling.
- Japanese stocks edged lower, ending a three-day winning streak on the Topix index, after mixed U.S. economic reports failed to assuage concern the world's largest economy is slowing.** Toyota Motor Corp., which counts North America as its largest market, dropped 0.5%. Sumitomo Mitsui Financial Group Inc. slipped 0.6% even after German lawmakers yesterday voted to expand a euro-region rescue fund that may help avert a financial crisis. Sumitomo Electric Industries Ltd. plunged 8% on concern it will be the next Japanese maker of wire harnesses to be hit with U.S. fines for price fixing. The Topix slipped 0.2% to 761.17 at the close of trading in Tokyo. The Nikkei 225 Stock Average was little changed at 8,700.29 after earlier falling as much as 0.6%. For the week, the gauge gained 1.6% amid signs Europe's policy makers may resolve the region's debt-crisis.

REGIONAL STOCK INDICES (DAILY % CHANGE)



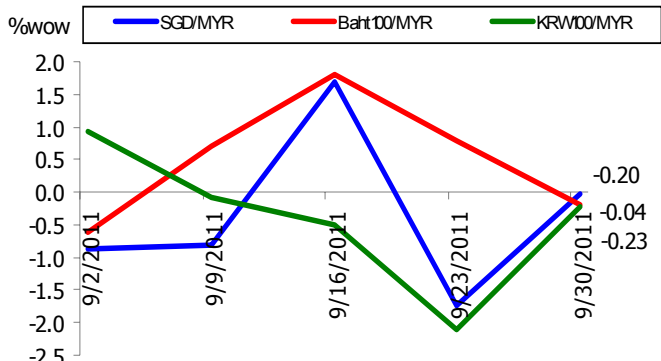
Source: Bloomberg, Bursa Malaysia

RINGGIT vs MAJOR CURRENCIES (WEEKLY % CHANGE)



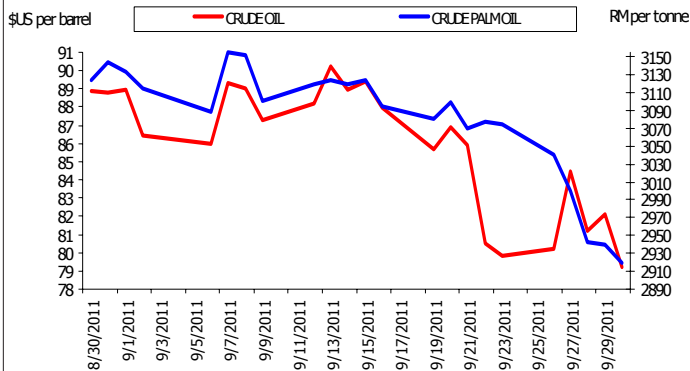
Source: Bloomberg, Bursa Malaysia

RINGGIT vs REGIONAL CURRENCIES (WEEKLY % CHANGE)



Source: Bloomberg, Bursa Malaysia

CRUDE OIL vs CRUDE PALM OIL



Source: Bloomberg, Bursa Malaysia

- Hong Kong stocks fell, dragging the Hang Seng Index to its biggest quarterly loss in a decade, as U.S. economic reports failed to allay concern the global economic recovery is stalling.** Li & Fung Ltd., a supplier of toys and clothes to retailers including Wal-Mart Stores Inc., dropped 3.6%. Chinese stocks traded in Hong Kong slumped after a report the U.S. is investigating allegations of accounting fraud at Chinese companies. Gome Electrical Appliances Holding Ltd. tumbled 22% after Credit Suisse Group AG downgraded the stock. Travel Expert Asia Enterprises Ltd. plunged 25% in its Hong Kong trading debut. The Hang Seng Index dropped 2.3% to 17,592.41 as of the close of trading in Hong Kong, dragging the measure down to a 22% drop this quarter, its biggest decline since the period ended September 2001.

- China's stocks fell, sending the benchmark index to its lowest close since April 2009, on signs growth is slowing as the government maintains measures to curb inflation and overseas demand for exports falters.** Anhui Conch Cement Co. and Sany Heavy Industry Co. paced a decline by construction-related stocks after a manufacturing gauge contracted for a third month. Citic Securities Co. and Industrial Securities Co. led a drop among brokerages on concern share-price declines will curb trading revenue. China's markets will be closed this week for holidays. The Shanghai Composite Index, which tracks the bigger of China's stock exchanges, dropped 6.12 points, or 0.3%, to 2,359.22 at the 3 p.m. close. The CSI 300 Index lost 0.3% to 2,581.35.

- Local stocks extended their slump on concern over contagion from the eurozone sovereign debt crisis, depressing the blue-chip benchmark FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBM KLCI) to a fresh 14-month low last Monday.** Extreme oversold conditions triggered a subsequent rebound, helped by signs Germany would work harder to reinforce weaker eurozone economies that was confirmed by the passage of an expanded eurozone bailout package. Consequently, the FBM KLCI managed to recoup 21.19 points, or 1.55%, last week to settle at 1,387.13, with 60% of the gain contributed by Sime Darby (+34 sen), Genting Bhd (+49 sen), and CIMB (+23 sen). Average daily traded volume and value improved to 965 million shares and RM1.62 billion respectively, compared with 807.9 million shares and RM1.53 billion in the previous week.

ECONOMIC HIGHLIGHTS

- U.S.: Consumer spending in U.S. probably slowed on limited job, income growth.** U.S. consumer spending probably slowed in August, reflecting growing pessimism among households that may further restrain the biggest part of the economy. Purchases rose 0.2% after July's 0.8% gain, according to the median estimate of 63 economists in a Bloomberg News survey before the Commerce Department's report Sept. 30. Consumer confidence held close to a more than two-year low, home sales dropped for a fourth month and factory orders for big-ticket items declined, other reports this week may show. (Bloomberg)

- U.S.: Sales of new U.S. homes fell to six-month low.** Purchases of new houses in the U.S. declined in August to a six-month low as the biggest drop in prices in two years failed to lure buyers away from even less expensive distressed properties. Sales, tabulated when contracts are signed,

dropped 2.3% to a 295,000 annual pace, figures from the Commerce Department showed in Washington. The median estimate of 73 economists in a Bloomberg News survey called for a decline to 293,000. The median price slumped 7.7% from August 2010, the steepest 12-month drop since July 2009. (*Bloomberg*)

- **U.S.: US durable goods orders slip back on weak car demand.** Orders for big manufactured goods in the US fell slightly in August after a sharp jump in the previous month, due in part to a fall in demand for cars. Durable goods orders fell by 0.1% to \$201.8bn, roughly in line with expectations, after a 4.1% rise in July, the Commerce Department said. However, plane orders grew strongly for the second month in a row. (*BBC News*)
- **U.S.: Demand for U.S. capital goods climbs most in three months in recovery sign.** Orders for U.S. capital goods climbed in August by the most in three months, a sign business investment continues to support the recovery. Bookings for goods like computers and communications gear, excluding military hardware and aircraft, climbed 1.1%, the most since May, a Commerce Department report showed in Washington. Demand for all durable goods dropped 0.1%, less than forecast. (*Bloomberg*)
- **U.S.: Federal Reserves launches 'Twist' stimulus initiative.** US and Asian shares have fallen after the Federal Reserve launched a scheme - dubbed Operation Twist - to help stimulate the flagging US economy. The Fed will sell about \$400bn (£260bn) worth of bonds maturing within three years and buy longer-term debt. This puts no new money into the economy, but aims to keep long-term interest rates low, thereby boosting mortgage lending and business loans. (*BBC News*)
- **U.S.: Consumer confidence slumps on concern financial conditions worsening.** Consumer confidence slumped last week to the second-lowest level on record as Americans grew more concerned with their financial situation and the buying climate worsened. The Bloomberg Consumer Comfort Index dropped to minus 53 in the period ended Sept. 25 from minus 52.1 the prior week. Another report showed the economy grew at a faster pace in the second quarter than previously estimated. (*Bloomberg*)
- **U.S.: Pending U.S. home sales decline 1.2% as lower prices fail to stoke demand.** The number of contracts to purchase previously owned U.S. homes fell in August, a sign that lower prices and borrowing costs are doing little to stoke demand. The 1.2% decrease in the index of pending home sales followed a 1.3% drop the previous month, the National Association of Realtors said in Washington. Economists forecast a 2% drop, according to the median of 43 estimates in a Bloomberg News survey. (*Bloomberg*)
- **U.S.: Economy grew at a revised 1.3% pace last quarter, more than estimated.** The U.S. economy grew at a 1.3% pace in the second quarter, faster than estimated last month and helped by exports and spending on services. The revised rise in gross domestic product

compares with a 1% gain previously calculated, Commerce Department figures showed in Washington. The median forecast of economists surveyed by Bloomberg News was 1.2%, following a 0.4% increase in the first three months of the year. (*Bloomberg*)

- **U.S.: Jobless claims in U.S. drop more than forecast.** Claims for U.S. unemployment benefits fell more than forecast last week as an atypical calendar alignment made it more difficult for the government to adjust the data for seasonal changes. Applications for jobless benefits dropped by 37,000 in the week ended Sept. 24 to 391,000, the fewest since April, Labor Department figures showed. Economists forecast 420,000 claims, according to the median estimate in a Bloomberg News survey. An agency official said the data probably reflected a "slight mistiming" in the seasonal factors used to modify the figures. (*Bloomberg*)
- **U.K.: Mortgage approvals hit 20-month high.** The number of new mortgages approved, but not yet lent, for home buyers in August rose to its highest level since December 2009. The Bank of England said 52,410 mortgages were approved in August. That was nearly three thousand more than in July, and the highest number since December 2009. The figures suggest that a recent slight relaxation in lending criteria by banks and other lenders will lead to higher sales in the coming months. (*BBC News*)
- **U.K.: House prices continue to stagnate, Land Registry shows.** House prices in England and Wales continue to stagnate, according to the latest figures from the Land Registry. Average prices fell by 0.3% in August to £162,347, leaving them 2.6% lower than a year ago. It was the third fall in the past four months and means the annual rate of house price decline has changed little during that time. With small fluctuations each month, house prices in England and Wales have hardly changed since the end of 2010. The Land Registry said that prices in London continued to diverge strongly from the rest of the country. (*BBC News*)
- **E.U.: Germany's inflation unexpectedly accelerated to its highest level in three years, potentially limiting the European Central Bank's scope to inject new stimulus into the euro zone's struggling economy.** Consumer prices rose 2.6% y-o-y in September, up from 2.4% in August, the highest level since September 2008. Using common European data standards, inflation rose 0.3 percentage point to 2.8%. (*Wall Street Journal*)
- **E.U.: German business sentiment falls further, Ifo says.** German business sentiment has fallen for the third month in a row, a survey has indicated, but the decline was less than analysts had expected. The business climate index from the Ifo economic think tank fell to 107.5 in September, its lowest showing since June 2010, from 108.7 in August. Ifo said firms were concerned that the continuing eurozone debt crisis could affect the wider economy. (*BBC News*)
- **E.U.: German unemployment falls more than forecast as economy skirts debt crisis.** German unemployment declined more than economists forecast in September, suggesting the labor market in Europe's largest economy is weathering the region's worsening debt crisis. The number of people out of work fell a seasonally adjusted 26,000 to

2.92 million, the Nuremberg-based Federal Labor Agency said. That's the biggest drop since April. Economists had forecast a decline of 8,000, the median of 24 estimates in a Bloomberg News survey showed. The adjusted jobless rate slipped to 6.9% from 7% in the previous month. *(Bloomberg)*

- **Japan: Corporate service prices ease 0.4% in August.** An index measuring corporate service prices in Japan was down 0.4% on month in August, the Bank of Japan said, standing at 96.1. That was in line with forecasts following the flat reading in July. On an annual basis, corporate service prices also matched forecasts with a 0.4% fall after easing a revised 0.3% in the previous month. Among the individual components, transportation, leasing and advertising prices were down and real estate prices were up. *(RTT News)*
- **Japan: Retail sales in surprise August slide.** Retail sales in Japan registered a surprisingly sharp fall in August as a post-earthquake rebound petered out. Sales fell 2.7% versus a year ago, a much sharper decline than the 0.6% rate expected by markets. It ends two months of rising sales during which the Japanese economy appeared to be returning to normality after the natural disaster in March. The disappointing result mirrors a similar downturn in consumer spending and sentiment in the US and Europe. *(RTT News)*
- **Japan: Core CPI up 0.2% in August.** Core consumer prices in Japan rose in August for a second straight month, according to data released by the government. Core CPI increased 0.2% from one year earlier, the Ministry of Internal Affairs and Communication reported. Core CPI for the metro Tokyo region, considered a leading indicator for the broader economy, was down 0.1% on year for September. Overall CPI, which includes volatile food prices, was up 0.1% on month and up 0.2% on year. *(RTT News)*
- **Malaysia: M3 expands at a slower annual rate of 10.6% in Aug.** Broad money (M3) expanded at a slower annual rate of 10.6% in August, Bank Negara Malaysia said. On a monthly basis, M3 increased more moderately due to non-resident portfolio outflows, the central bank said. It said net financing to the private sector increased by RM18.2 billion in August, driven mainly by an increase in outstanding loans and higher net issuance of private debt securities.

UPCOMING RELEASE (October 3-7, 2011)

US

- August Construction Spending by US Census Bureau on October 3, 2011.
- September ISM Manufacturing by Institute for Supply Management on October 3, 2011.
- Weekly Mortgage Applications by Mortgage Bankers Association on October 5, 2011.
- Weekly Initial Jobless Claims by Department of Labor on October 6, 2011.
- September Unemployment Rate by Bureau of Labor Statistics on October 7, 2011.

Eurozone

- September Composite PMI Output by NTC Research on October 3, 2011.
- September Producer Price Index (PPI) by Eurostat on October 4, 2011.
- September Composite PMI Services by Markit on October 4, 2011.
- August Retail Sales and Volume by Eurostat on October 5, 2011.
- Announcement of ECB Interest Rates by European Central Bank (ECB) on October 6, 2011.

Japan

- Third Quarter Tankan Large Manufacturers Index by Bank of Japan on October 3, 2011.
- September Vehicle Production by Auto Manufacturers Association (AMA)/Japan Automobile Manufacturers on October 3, 2011.
- September Monetary Base Average Outstanding by Bank of Japan on October 4, 2011.
- September Official Reserve Assets by Ministry of Finance on October 7, 2011.
- August Coincident Index by Economic & Social Research Institute on October 7, 2011.
- August Leading Economic Index by Economic and Social Research Institution (ESRI) on October 7, 2011.
- Announcement of Japan Interest Rates by Bank of Japan (BOJ) on October 7, 2011.

Malaysia

- August External Trade Balance by Department of Statistics Malaysia (DOSM) on October 6, 2011.
- Foreign Reserves as at September 30, 2011 by Bank Negara Malaysia (BNM) on October 7, 2011.