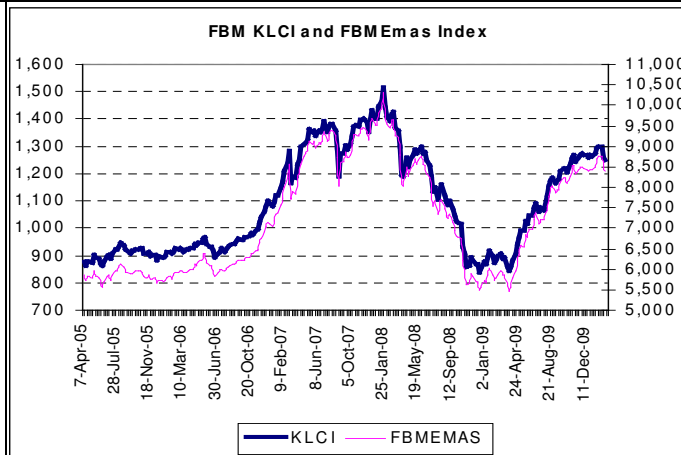
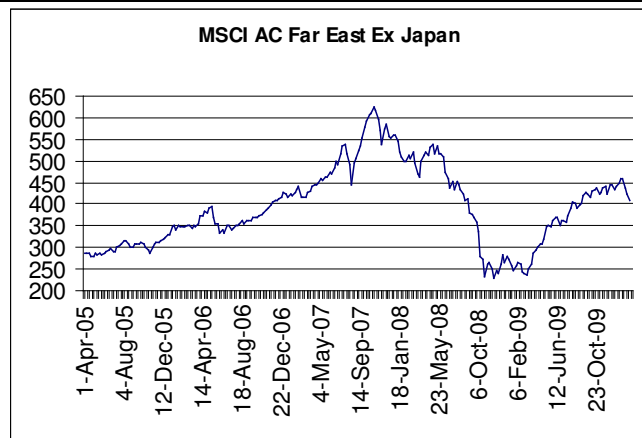


**WEEKLY INVESTMENT UPDATES**

February 8, 2010



**Recent Development / Updates**

For the week ended 5 February 2010, the FBM KLCI was down 11.26 points (-0.9%) to 1247.90. The FBM Emas Index, was down 79 points (-0.9%) to close at 8,405. The MSCI AC Far East Free Ex-Japan Index (in USD) was down 13.15 points (-3.12%) to 408.82.

For the period 29 January 2010 to 5 February 2010, Uni Aggressive fund was down 0.258% to RM0.9278, Uni Strategic fund was down 1.2% to RM0.8975, Uni AsiaEquity fund was up 0.93% to RM0.5829, Uni Global IPO fund was up 0.64% to RM0.3556, Uni Gold & General Fund was down 2.7% to RM0.5089 and Uni Asia Pacific Infrastructure Fund was down 0.16% to RM0.3635. Uni Bond fund was unchanged at RM0.5512 and Uni Income fund was up 0.2% to RM0.5920.

Malaysia exports rose 18.7% year on year to RM54.7b in December after declining 3.3% in November according to the Ministry of International Trade and Industry. It is the biggest jump in 17 months, prompting the government to forecast higher exports in 2010. Meanwhile imports rose 23.3% year on year to RM42.58b resulting in a trade surplus of RM12.1b. For the full year, exports declined 16.6% to RM555.3b resulting in an annual trade surplus of RM118.35b. (Source: The Edge Malaysia)

Malaysia exports rose 18.7% year on year in December, the biggest jump in 17 months. Annual trade surplus surged to RM118.35b. Improving exports would contribute to the economic growth in the country.

US economy strengthened to an annualised rate of 5.7% in 4Q from 2.2% in 3Q and -0.7% in 2Q. This was the fastest rate of increase in 6 years, suggesting that the US economy is on recovery. The reading came in higher than market expectations of 4.7% and brings the full year growth contraction to 2.4%, marking the biggest drop in 63 years and first annual decline for the economy since 1991. (Source: The Edge Malaysia)

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Benchmark MGS yield continued to move higher premised on the weaker sentiment on the local front and investors' expectations of interest rate hike by the government. However, the 3-yr benchmark yield was trading above the 3-yr IRS rate last week and thus, creating an arbitrage opportunity for investors to take positions. (CIMB/BNM)

Investors should scale down their MGS holdings on expectation that the interest rates may rise after a comment from BNM's governor. Accordingly, the yield curve is expected to steepen in the long run as the global economic recovery continued to gather momentum.

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