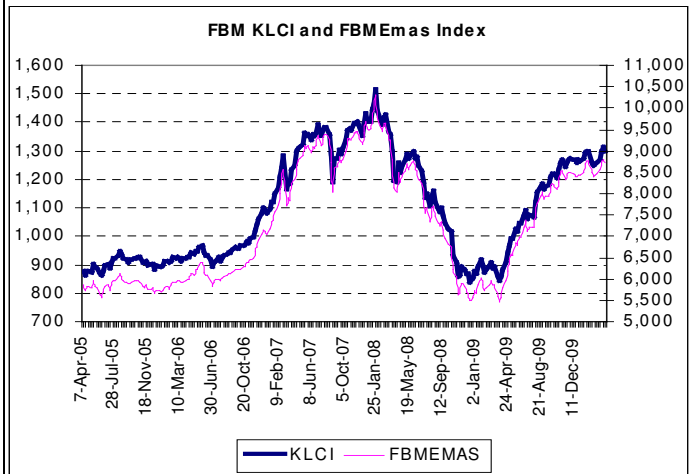
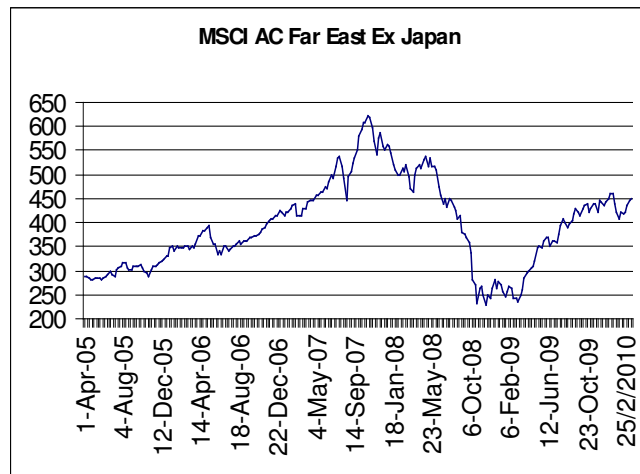


**WEEKLY INVESTMENT UPDATES**

March 23, 2010



**Recent Development / Updates**

For the week ended 19 March 2010, the FBM KLCI was down 14.6 points (-1.1%) to 1296.60. The FBM Emas Index was down 82.6 points (-0.95%) to close at 8,723.16. The MSCI AC Far East Free Ex-Japan Index (in USD) was up 5.85 points (+1.3%) to 451.29.

For the period 12 March 2010 to 19 March 2010, Uni Aggressive fund was down 0.26% to RM0.9366, Uni Strategic fund was down 0.31% to RM0.9390, Uni AsiaEquity fund was up 0.7% to RM0.5906, Uni Global IPO fund was up 1.1% to RM0.3627, Uni Gold & General Fund was up 1.6% to RM0.5571 and Uni Asia Pacific Infrastructure Fund was up 0.2% to RM0.3753. Uni Bond fund was up 0.07% to RM0.5542 and Uni Income fund was up 0.12% to RM0.5963.

The World Bank raised its 2010 growth and inflation forecast for China and recommended a tighter monetary policy as well as a stronger exchange rate to restrain inflation expectations and asset bubbles. The bank revised its projection of gross domestic product (GDP) growth this year to 9.5% from 9% in its January forecast. For 2011, the GDP forecast is 8.7%. Growth of 9.5% this year would vault China past Japan and make it the world's second biggest economy. Inflation is expected to rise by 3.7%, higher than 2% forecast in November. (Source: Financial Daily/Reuters)

The World Bank has raised its 2010 growth forecast for China revised GDP growth this year to 9.5% from 9%. The stronger GDP growth forecast signified the strong growth in China's economy.

Standard & Poor's lifted its outlook on India to stable from negative, citing an improving fiscal position and strong economic growth but warned on inflation, giving a fillip to stock and bond prices. With headline inflation nearing 10%, the Reserve Bank of India is under increasing pressure to raise interest rates for the first time since the global downturn. In affirming its BBB- long term and A-3 short term ratings on India, S&P said the government remains constrained by high debt burden and deficit and inflation is a worry. (Source: Bloomberg)

Standard & Poor's lifted its outlook on India to stable from negative, citing an improving fiscal position and strong economic growth but warned on inflation. India is the world's fastest growing major economy after China.

Benchmark MGS traded higher largely due to the strengthening of Ringgit as its breaks USDMYR 3.300 support level. The 3 and 10 year closed 2 basis points lower to 3.27% and 4.20%, while 5 year moved 1 basis point lower to 3.75%. On the local front, the OPR Rate is expected to remain unchanged at 2.25% in the next MPC meeting scheduled for 13 May. However, a gradual hike would be inevitable towards 2<sup>nd</sup> Half 2010 as part of the normalization policy to reflect the global economic recovery and address higher inflationary pressure. (CIMB/BNM)

Investors should grab this opportunity to take profits on the MGS as anticipation of rate hikes will continue to exert upward pressure on benchmark yields. Accordingly, the yield curve will steepened in the long run as the global economic recovery continue to gather momentum.

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