

## Equity Market Review & Outlook

### REVIEW

- ▶ March was a mixed month for Asia Pacific equity markets but the US equity markets enjoyed a good run, despite the automatic sequester kicking in 1 March 2013. China was one of the worst performing markets during the month, with sentiment dampened from continued anti-corruption efforts and the growing acceptance of more moderate economic growth in the medium term with more focus on regulation and administration of public services.
- ▶ Malaysia experienced a fairly volatile market as there were high expectations of the dissolution of Parliament to be called during the month of March, but was not called. The first three weeks of March saw the KLCI correct to as low as 1,614 points before rebounding sharply to close higher for the month at 1,671.6 or +2.08% mom. During the month, foreign investors continued to be net buyers of Malaysian equities and have been for the last four consecutive months, whilst local investors were generally net sellers. The broader market outperformed the KLCI as the FBM Emas gained 2.53%. FBM Small Cap index rose sharply by 5.93% during the month, outperforming the KLCI. Average value traded on Bursa in March increased 11% higher mom to RM1.78bn from RM1.59bn per day in February.
- ▶ The sector indices on the local bourse closed up for March, with the best performing sectors being Property (+9.02%) and Construction (+5.93%). The worst performing sectors were the Plantation (+0.4%), and Technology (+1.38%). Foreign interest in property players with exposure in Iskandar, Johor helped spur property stock prices.

### OUTLOOK

- ▶ Globally, investors will need to be mindful of upcoming events including the US debt ceiling issues which will come to a head in July, Germany's Federal elections in September, and Italy may well go for elections again after mid May should they fail at forming a government successfully.
- ▶ Domestically, we remain cautious overall on equities in 1H13. With the Prime Minister dissolving Parliament on the 3<sup>rd</sup> April 2013, and the date set for polling is 5<sup>th</sup> May 2013. During the nomination and campaigning period we expect markets to be volatile with downside risk high. Assuming a relative status quo in terms of election results, we expect that the Malaysian markets to move in tandem with the global markets thereafter. With the expectation of a global economic recovery in 2H13, the global equity markets may move higher when investors have higher risk appetite for equities.

### NEWS HIGHLIGHTS

- ▶ Petronas is offering ten marginal oil & gas fields under its third licensing round for risk service contracts. Six of the fields are in Sarawak, followed by three in Sabah and one in Peninsular Malaysia.
- ▶ KLCC Property Holdings has obtained the Securities Commission green light to establish stapled securities. This will comprise units in an Islamic Real Estate Investment Trust (IREIT) to be stapled together with the existing ordinary shares of KLCCP which are to be listed on Bursa Malaysia. The proposed listing is expected to take place in May 2013. The properties that will be injected into the IREIT will be the Petronas Twin Towers, Menara ExxonMobil and Menara 3 Petronas.
- ▶ SP Setia deputy president and COO Datuk Voon Tin Yow will succeed Tan Sri Liew Kee Sin as president and CEO after the latter's retirement. Datuk Teow Leong Seng, who is executive VP and CFO, will take over as deputy president. The management succession plan has been formalised and was approved by the company's board of directors during their meeting recently.

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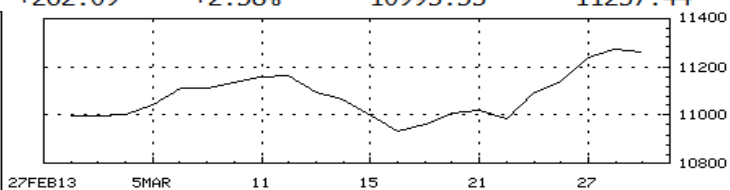
### INDEX PERFORMANCE & MOVERS

RPT

#### Historical Equity Index Movers PAGE 1/ 4

FBM100 Change Pct Chg Start Price End Price  
 FTSE BURSA MAL TOP 100 +262.09 +2.38% 10995.35 11257.44

**Index Member Information**  
 Additions: 1 Up: 81  
 Deletions: 3 Down: 18  
 Current: 100 Unch: 4  
 Sort: Index Points  
 Order: Descending  
 3/1/2013 - 3/29/2013



#### LEADING MOVERS

#### LAGGING MOVERS

Security	End Price	Change	Index Pts	Security	End Price	Change	Index Pts
CIMB MK	7.63	+.43	+38.973	IOI MK	4.68	-.22	-17.878
GENT MK	10.02	+.53	+23.679	GENM MK	3.62	-.08	-3.426
TNB MK	7.22	+.28	+19.165	YTLP MK	1.46	-.06	-2.912
AXIATA MK	6.60	+.20	+18.103	YTL MK	1.63	-.02	-2.496
MAY MK	9.35	+.20	+13.627	AIRA MK	2.83	-.08	-2.443
IHH MK	3.74	+.31	+12.451	MMHE MK	3.77	-.28	-2.176
ULHB MK	2.73	+.44	+10.155	PETD MK	23.10	-.42	-2.083
PTG MK	19.00	+.68	+9.756	HLBK MK	14.46	-.12	-1.514
IJM MK	5.45	+.32	+8.840	BST MK	4.12	-.08	-1.242
PBK MK	16.26	+.14	+8.432	CSL MK	.40	-.14	-.861

+ Added during range, - Removed during range, \* Added/Removed multiple times  
 Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000  
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2013 Bloomberg Finance L.P.  
 SN 147088 HKT GMT+8:00 6734-3095-1 01-Apr-2013 11:02:43

Indices	Last Price		MoM Changes	
	28-Feb-13	29-Mar-13	+/-	%
FBMKLCI	1637.6	1671.6	34.0	2.08%
FBMMES	3955.9	4008.3	52.4	1.33%
FBM100	10995.4	11257.4	262.1	2.38%
FBM70	12165.9	12625.9	460.0	3.78%
FBMSCAP	11447.3	12125.7	678.4	5.93%
FBMEMAS	11139.0	11420.5	281.4	2.53%
FBMFLG	9049.1	9218.6	169.5	1.87%
FBMSHA	11105.7	11357.1	251.3	2.26%
FBMHIJRAH	12125.8	12361.9	236.1	1.95%
MSCI APxJ	481.3	472.7	-8.6	-1.78%