

Review

- After a rebound in October, the month of November saw the KLCI and other global equity markets correct sharply mid November on the back of growing uncertainty in the EU due to the change in governments in Italy, Greece and Spain, and potential contagion effects. The US congress “super committee” failed to find USD2.1 trillion of cost savings in the budget and threatened across the board spending cuts in 2013.
- Domestically, Malaysia announced the 3Q2011 GDP data which came in above expectations. In addition, changes to the MSCI weightings for Malaysia brought with it some excitement. The 3Q11 results reporting season were generally inline or slightly below, with few surprising on the upside.
- The KLCI ended the month declining 19.8 points or -1.33% to close at 1,472.1 points. The broader market out performed the KLCI, with the FBM Emas Index declining 1.04% in November. The FBM Small Cap Index out performed the KLCI declining 0.25% for the month. Average value traded on Bursa in November eased 3.2% mom to RM1.446bn per day as investors remained sidelined.
- The sector indices on the local bourse closed higher for November, with the best performing sectors being Plantation (+1.65%) and Consumer (+0.83%). The worst performing sectors were Construction (-3.99%) and Industrial (-3.32%).

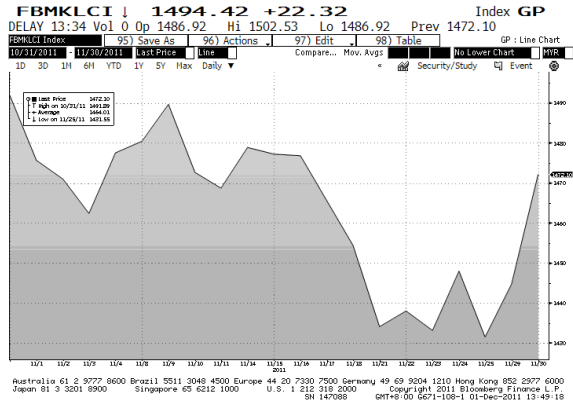
Outlook

- With the US Fed, ECB, Bank of England, Bank of Japan, Swiss National Bank, and Bank of Canada announcing a coordinated plan to pump up liquidity by cutting interest rates on dollar liquidity swaps, markets may find some cheer and optimism for the rest of the year. China’s cut in the required reserve ratio also boosted investor sentiments and supported expectations that this is the start of their easing policy. However, as with previous months, we will likely revisit the EU debt issues again, without a solid solution in place.
- Domestically, we expect consumer spending to remain fairly resilient for now going into the year end festivities. The Pavillion REIT IPO will be listed in early December which should be fairly well received given the oversubscription rate, and the obvious demand for yield by investors. Catalysts for the next few months include the potential for the General Election to be called (expected to be in 1Q12).
- We remain cautious on Malaysian equities for the rest of 2011, as the global uncertainty will have an impact on the Malaysian economy, which will likely test our consumer spending resilience.
- Current global volatilities are likely to take awhile to resolve and hence investors will remain on edge, however these events create opportunities for out performance over the longer term.

News Highlights

- Pavillion REIT commenced its IPO book building process during the month, closing its institutional books almost 30x oversubscribed.
- Penny stocks enjoyed a rally, although it came with a slew of queries from Bursa Malaysia relating to unusual market activity, and a designation of Harvest Court (stock related to the Prime Minister’s son).
- MAHB announced that the KLIA2 new low cost carrier terminal project would cost between RM3.6-3.9bn, up from RM2.0 bn.

Index Performance & Movers



Indices	Last Price		MoM Changes	
	31-Oct-11	30-Nov-11	+/-	%
FBMKLCI	1491.9	1472.1	-19.8	-1.33%
FBMMES	4031.4	4135.1	103.7	2.57%
FBM100	9988.2	9876.8	-111.4	-1.12%
FBM70	10955.2	10919.1	-36.1	-0.33%
FBMSCAP	11546.3	11517.6	-28.7	-0.25%
FBMEMAS	10169.3	10064.0	-105.3	-1.04%
FBMFLG	8454.1	8659.2	205.1	2.43%
FBMSHA	9924.9	9848.2	-76.7	-0.77%
FBMHJURAH	10531.6	10482.1	-49.5	-0.47%
MSCI APxJ	427.7	393.0	-34.8	-8.13%

FBM KLCI Index		MTD	FBM KLCI Index		MTD
LEADING MOVERS		30-Nov-11	LAGGING MOVERS		30-Nov-11
Name	% chg		Name	% chg	
1 DIGI.COM BHD	11.04%		1 CIMB GROUP HOLDINGS BHD	-5.68%	
2 AXIATA GROUP BERHAD	4.51%		2 MISC BHD	-16.00%	
3 GENTING BHD	1.86%		3 PETRONAS CHEMICALS GROUP BHC	-7.13%	
4 SIME DARBY BERHAD	1.12%		4 TENAGA NASIONAL BHD	-5.52%	
5 MAXIS BHD	2.80%		5 IOI CORPORATION BHD	-4.57%	
6 KUALA LUMPUR KEPONG BHD	2.09%		6 GAMUDA BHD	-10.00%	
7 TELEKOM MALAYSIA BHD	1.89%		7 PUBLIC BANK BERHAD	-1.42%	
8 GENTING MALAYSIA BHD	1.56%		8 PPB GROUP BERHAD	-5.86%	
9 PETRONAS GAS BHD	0.78%		9 MALAYAN BANKING BHD	-0.72%	
10 PLUS EXPRESSWAYS BHD	0.68%		10 MALAYSIA MARINE AND HEAVY EN	-11.11%	

FBM100		MTD	FBM100		MTD
LEADING MOVERS		30-Nov-11	LAGGING MOVERS		30-Nov-11
Name	% chg		Name	% chg	
1 DIGI.COM BHD	11.04%		1 CIMB GROUP HOLDINGS BHD	-5.68%	
2 AXIATA GROUP BERHAD	4.51%		2 MISC BHD	-16.00%	
3 GENTING BHD	1.86%		3 PETRONAS CHEMICALS GROUP BHC	-7.13%	
4 SIME DARBY BERHAD	1.12%		4 TENAGA NASIONAL BHD	-5.52%	
5 MAXIS BHD	2.80%		5 IOI CORPORATION BHD	-4.57%	
6 GENTING PLANTATIONS BHD	10.61%		6 GAMUDA BHD	-10.00%	
7 IJM CORP BHD	3.68%		7 PUBLIC BANK BERHAD	-1.42%	
8 KUALA LUMPUR KEPONG BHD	2.09%		8 PPB GROUP BERHAD	-5.86%	
9 TELEKOM MALAYSIA BHD	1.89%		9 AIRASIA BHD	-5.38%	
10 GENTING MALAYSIA BHD	1.56%		10 KNM GROUP BHD	-31.60%	

FBM Shariah Emas		MTD	FBM Shariah Emas		MTD
LEADING MOVERS		30-Nov-11	LAGGING MOVERS		30-Nov-11
Name	% chg		Name	% chg	
1 DIGI.COM BHD	11.04%		1 MISC BHD	-16.00%	
2 AXIATA GROUP BERHAD	4.51%		2 PETRONAS CHEMICALS GROUP BHC	-7.13%	
3 SIME DARBY BERHAD	1.12%		3 TENAGA NASIONAL BHD	-5.52%	
4 MAXIS BHD	2.80%		4 IOI CORPORATION BHD	-4.57%	
5 GENTING PLANTATIONS BHD	10.61%		5 GAMUDA BHD	-10.00%	
6 IJM CORP BHD	3.68%		6 AIRASIA BHD	-5.38%	
7 TSH RESOURCES BHD	26.18%		7 KNM GROUP BHD	-31.60%	
8 KUALA LUMPUR KEPONG BHD	2.09%		8 MALAYSIA MARINE AND HEAVY EN	-11.11%	
9 TELEKOM MALAYSIA BHD	1.89%		9 WCT BHD	-17.69%	
10 SARAWAK OIL PALMS BERHAD	20.28%		10 MMC CORP BHD	-6.30%	

FBM Small Cap		MTD	FBM Small Cap		MTD
LEADING MOVERS		30-Nov-11	LAGGING MOVERS		30-Nov-11
Name	% chg		Name	% chg	
1 TSH RESOURCES BHD	26.18%		1 UNISEM (M) BERHAD	-18.25%	
2 JCY INTERNATIONAL BHD	22.31%		2 LION INDUSTRIES CORP BHD	-12.42%	
3 RIMBUNAN SAWIT BHD	17.48%		3 LINGJI DEVELOPMENTS BHD	-19.87%	
4 DUTCH LADY MILK INDS BHD	18.02%		4 FABER GROUP BHD	-12.79%	
5 CB INDUSTRIAL PRODUCT HLDG	12.77%		5 EVERGREEN FIBREBOARD BHD	-10.89%	
6 SEG INTERNATIONAL BHD	7.22%		6 PRESS METAL BERHAD	-8.81%	
7 KRETAM HOLDINGS BHD	14.15%		7 MUHIBBAH ENGINEERING (M) BHD	-9.84%	
8 TDM BHD	18.06%		8 YTL LAND & DEVELOPMENT BHD	-15.20%	
9 AEON CREDIT SERVICE M BHD	27.64%		9 WTK HOLDINGS BERHAD	-9.79%	
10 KONSORTIUM LOGISTIK BHD	16.55%		10 HO WAH GENTING BHD	-20.00%	