

	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	4532.85	16.35	2.11	0.92	5.54	(0.49)	2.79	4.16	N.A	5.15	0.62	0.31	2.73	2.29
NIKKEI	9677.75	(96.03)	N.A	N.A	0.68	3.02	0.65	0.72	N.A	1.34	2.33	1.78	0.80	N.A
KOSPI	1415.10	29.39	N.A	0.30	2.65	4.36	0.26	N.A	2.69	0.92	2.22	0.77	(0.04)	0.94
SHANGHAI	2721.28	27.61	N.A	2.10	N.A	4.55	1.92	1.02	N.A	3.98	5.55	1.76	1.94	2.31
TAIWAN	6954.10	65.16	4.83	N.A	(1.49)	0.79	1.48	(0.73)	1.91	2.74	0.78	0.73	1.08	N.A
HANGSENG	18888.59	16.99	N.A	3.62	3.70	3.71	1.98	0.28	N.A	N.A	N.A	N.A	1.84	6.35
CAC	3357.76	11.90	N.A	3.36	N.A	1.85	2.43	1.20	N.A	2.49	2.07	(0.21)	2.07	1.74
FTSE	4490.58	29.75	5.74	3.25	1.10	1.58	0.62	0.20	0.85	6.99	1.96	(0.07)	(0.67)	3.12
DAX	5098.97	26.40	5.29	4.25	5.05	1.33	(0.89)	1.45	2.89	4.25	3.36	1.12	3.36	1.91
US	8500.33	21.01	2.46	1.36	2.85	2.60	3.38	1.96	4.81	3.34	1.15	1.70	0.76	0.48
AUSTRALIA	3189.50	19.57	N.A	3.57	5.08	4.76	0.39	0.41	3.30	3.44	2.54	1.80	N.A	0.83
BRAZIL	53197.73	22.26	N.A	N.A	N.A	N.A	N.A	0.43	N.A	N.A	N.A	N.A	N.A	0.06
MEXICO	24331.71	15.80	N.A	(1.39)	Tim	0.40	N.A	N.A	N.A	Tim	N.A	N.A	N.A	Tim

KEY HIGHLIGHTS...

Stocks, Commodities Advance...

Stocks climbed, sending the MSCI World Index to the highest level since November, and oil and metals advanced as manufacturing in China signaled the worst of the global recession may be ending.

Europe's Manufacturing Recession Eased in May...

Europe's manufacturing industry contracted at the slowest pace in seven months in May, adding to signs that the worst may be over. A gauge of manufacturing activity rose to 40.7 from 36.8 in April, Markit Economics said today. That was the biggest increase since the survey started in 1997 and compared with the initial estimate of 40.5 published on May 21. That gain was the largest. The index is based on a survey of purchasing managers by London-based Markit and a reading below 50 indicates contraction.

Chrysler Wins Assent to Sell Assets to Fiat-Led Group...

Chrysler LLC won court approval to sell most of its business to a group led by Italy's Fiat SpA, a deal intended to fire up its idled manufacturing plants and resumes an 84-year history of selling American cars. U.S. Bankruptcy Judge Arthur Gonzalez approved Chrysler's sale in a ruling filed at 11.15 p.m. last night in Manhattan. The sale faced more than 300 objections. Gonzalez overruled those that weren't withdrawn or resolved.

DOMESTIC...

- India Apr exports down 33.2% on yr, imports fall 36.6%.
- India May PMI points to marked expansion in manufacturing sector.
- PepsiCo to invest over \$220 mln in India beverage ops in 2009.
- Bullion body says India gold import likely to have halved in May.

SECTOR...

- Civil Aviation Minister said the government may consider coming out with an IPO for Air India to raise funds for the airline. The public issue would give the airline the much-needed equity infusion and broadbased accountability. The government is also simultaneously working on a plan to infuse equity as well as provide soft loans to the airline. The relief package is likely to include 13 bln rupees of equity injection and 27 bln rupees of soft loans.

COMPANY...

- **Maruti Suzuki India Ltd** sold a total of 79,872 vehicles in May 2009, including 9,087 units for export. The company had sold a total of 69,001 vehicles in May 2008. Maruti Suzuki's volume in the domestic A2 segment grew by 20.7 per cent while in the A3 segment the sales volume grew by 14.1 per cent during the month as compared to sales in May 2008. The month sales in C Segment grew by 25.1 per cent as compared to May 2008.
- **Hero Honda Motors** reported a strong 22.5% on-year rise in May two-wheeler sales at 382,678 vehicles. Sales also rose 3.3% from April. Most of the company's new launches such as Passion Pro, Splendor NXG self-start, special edition Hunk, new Pleasure, Splendor Plus and Passion Plus have been market share and volume drivers.
- **TVS Motor Co** sold 118,574 two-wheelers in May, up 5% on year. Sequentially, total sales rose nearly 5% from 113,119 units sold in April. However, motorcycle sales during May fell 3% on year and scooter sales 2% on year. Exports during May were at 11,135 units, down nearly 21% on year.
- **Axis Bank** has approved borrowing/raising funds to the extent of Rs. 3,000 crores in FY 2009-10 by issue of debt instruments in one or more tranches.
- Glenmark Generics Inc USA, a subsidiary of **Glenmark Pharmaceuticals Ltd**, has received final ANDA approval from U.S. Food and Drug Administration for Hydralazine Hydrochloride Tablets.
- **Ramco Systems Ltd** has posted global revenue of \$41.54 million for the financial year 2008-09, driven by tighter cost control and focused approach on emerging markets. The profit for the year was \$0.45 million. The slew of measures undertaken during the year aimed at increasing productivity and rationalising costs, is helping the company cope with the current turbulent times and is expected to fuel growth in coming quarters.
- **Allcargo Global Logistics Ltd** had informed regarding strategic alliance with Hind Terminals Pvt. Ltd. for setting up, commissioning, operating, managing and commercially running Container Freight Stations and/ or Inland Container Depots at Indore, Hyderabad, Nagpur, Bangalore and other places. The CFS has been commissioned and will be operated through a joint venture company viz. South Asia Terminals Pvt. Ltd. in which Allcargo will hold 51% and Hind Terminals will hold 49%. The company believes that the project will further strengthen its positions in CFS segment.
- **Venus Remedies Ltd** informs that Korean Intellectual Property Office has granted a product patent to one of the research products of Venus used for the treatment of pneumonia.
- **Suzlon Energy** driven by institutional buying as investors gained confidence from the company's plan to complete the REpower buyout by Jun 5. Buying was also supported by BSE's hike in free-float adjustment factor for Suzlon Energy to 0.45 with effect from today from 0.35 earlier, after Suzlon promoters sold 4% of the company's equity via block deals to investors such as DKR Oasis and Prudential Asia.
- **Shiva Cement** Apr-May cement, clinker sales up 21.2% on year.
- **Take Solutions Ltd** has signed a deal with South Korean Pharma Company. Take Solutions will be providing Investigational New Drug submission services to the Korean company.
- **Amara Raja Batteries Ltd** has crossed Rs. 15000 million in gross sales for the first time. The company has declared a dividend of 40%.

PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
GOLD	986.82	1.15	3.32
SILVER	15.94	2.61	8.48
PLATINUM	1221.75	4.37	5.83

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
CRUDE OIL	68.10	2.68	10.41
NATURAL GAS	3.98	3.75	10.10

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
Copper	4987	3.11	8.03
Aluminum	1475	2.43	2.29
Nickel	14350	2.90	12.20
Lead	1630	3.82	13.27
Zinc	1603	2.43	5.80

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
Copper	311975	(0.10)	(6.42)
Aluminum	4237225	0.08	1.08
Nickel	109314	(0.94)	(0.42)
Lead	78975	1.97	5.97
Zinc	323600	(0.05)	1.84

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
RS/\$	46.96	0.48	0.74
\$/€	1.42	(0.99)	(0.96)
DOLLER INDEX	78.64	(0.88)	(0.84)
¥/\$	94.63	1.27	0.50

Today's Major Economic Events			
IST	Data	Expected	Prior
18:00	Personal Income	APR	-0.20%
18:00	Personal Spending	APR	-0.20%
18:00	PCE Deflator (YoY)	APR	0.40%
18:00	PCE Core (MoM)	APR	0.20%
18:00	PCE Core (YoY)	APR	1.90%
19:30	ISM Manufacturing	MAY	42
19:30	ISM Prices Paid	MAY	35

COMMODITY & CURRENCY...

- **Gold climbed to the highest price in more than three months in London** as a weaker dollar increased demand for the metal as an alternative investment. Silver rose to the highest since August. The U.S. Dollar Index dropped as much as 0.7 percent today to the lowest level since Dec. 18, after posting its biggest monthly loss this year in May. Gold, which typically moves inversely to the U.S. currency, added 10 percent last month, the most since November, and silver surged 27 percent, the most since 1987. Most of the ongoing rally in the precious metal is more driven by a stark weakness in the U.S. dollar than the risk averse buying we saw last winter. Inflation concerns are gradually creeping onto the investor agenda.
- **Copper rose to \$5,000 a metric ton for the first time since October** in London as the dollar weakened and China's manufacturing expanded for a third month. Nickel climbed to almost an eight-month high. The official Purchasing Managers' Index in China, the top Consumer of all metals, was at 53.1 in May, the Federation of Logistics and Purchasing said today in Beijing. A reading above 50 indicates an expansion. The Dollar Index dropped to its lowest level this year, making commodities traded in the U.S. currency cheaper to holders of other monies. We have strong Chinese data, a weak dollar and an expectation that the dollar will continue to weaken. The longer these factors continue, the more likely that traders and investors who had sold metals to bet on a price decline will buy back the positions.
- **Crude oil rose to the highest since November** as China's manufacturing expanded for a third month, signaling that fuel demand in the world's second-biggest energy consumer will increase. Oil climbed as much as 1.8 percent after the U.S. dollar fell to its lowest against the euro since December, heightening the need for commodities to hedge against inflation. China increased prices of gasoline and diesel by as much as 8 percent a move that may prompt refiners to boost crude purchases. All the attention is on the weaker dollar and macroeconomic sentiment. The market has advanced a long way on flimsy fundamentals and may pause for breath or see a setback now.
- **The dollar fell after a report showed China's economy may be recovering** from its deepest slump in almost a decade, sparking demand for commodities and higher-yielding assets. The Russian ruble rose to the highest level since January as China's manufacturing expanded for a third month. The dollar weakened against 15 of the 16 most-traded currencies, led by a 1.6 percent drop against the Norwegian krone and a 1.5 percent decline versus the Australian dollar. The euro climbed to a five-month high against the U.S. currency and the pound traded at its highest level since Oct. 31 as stocks advanced. Risk is on following the smaller-than-anticipated dip in China's manufacturing PMI. Currencies perceived to have a high sensitivity to the global cycle have outperformed significantly.
- **The euro's steepest three-month rally against the U.S. dollar in seven years** is sapping the earnings of exporters in the 16-country region and delaying its recovery. That's why Deutsche Bank AG, UBS AG and Barclays Capital the largest currency traders, are urging clients to sell the euro, which strengthened 11.8 percent from Feb. 27 to close at \$1.4158 on May 29, the sharpest rise since gaining a record 13.7 percent in 2002's second quarter. Exporters from Adidas AG to Koenig & Bauer AG, the world's second-largest sportswear maker and No. 3 printing-press manufacturer, say they are earning less overseas as a result. Europe's economy is lagging behind the U.S. The currency rose as the European Central Bank kept interest rates higher for longer than the Federal Reserve. Now, with ECB rates at 1 percent, there's less profit to be made from lower U.S. borrowing costs than when the two were 2.25 percentage points apart last year.
- **Asian currencies rose**, with the Korean won and Taiwan's dollar posting their biggest gains in a month, on speculation investors will add to their holdings of emerging-market assets as a global recession abates. South Korea's won advanced as overseas investors bought more of the nation's shares than they sold for the 12th day in a row. The Taiwan dollar climbed on optimism increased exports to China, the world's third-biggest economy, will help end the island's worst recession on record. A report today showed China's manufacturing expanded for a third month in May. There's still plenty of feeling about the so-called green shoots theory.

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