

	Index Value	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	4530.70	0.12	16.49	0.58	0.98	0.79	(1.10)	4.19	(1.00)	N.A	1.79	(0.97)	2.28	0.94	0.36
NIKKEI	9741.67	0.38	(96.67)	N.A	N.A	2.09	(0.89)	(0.35)	(0.78)	N.A	1.14	1.54	(1.23)	(0.18)	N.A
KOSPI	1414.89	0.14	29.99	N.A	0.50	0.02	(0.47)	(0.19)	N.A	0.74	0.34	(0.97)	0.59	0.08	1.75
SHANGHAI	2778.59	1.99	28.02	N.A	0.72	N.A	5.24	0.19	(0.15)	N.A	2.52	0.96	0.18	0.15	(0.19)
TAIWAN	6893.14	(0.80)	64.69	(2.89)	N.A	(5.70)	(1.25)	(1.61)	(0.28)	(1.14)	(2.64)	2.36	(1.50)	(1.12)	N.A
HANGSENG	18576.47	1.02	16.65	N.A	0.77	1.75	1.08	1.84	2.88	N.A	N.A	N.A	N.A	(0.47)	1.08
CAC	3332.83	(1.34)	11.80	N.A	(1.09)	N.A	1.17	0.67	0.09	N.A	0.26	(0.15)	0.33	(0.15)	0.57
FTSE	4391.42	(1.91)	30.18	(4.55)	(0.71)	0.79	(3.68)	0.24	(2.31)	0.33	(2.87)	(2.09)	(0.55)	(1.90)	(2.04)
DAX	5104.25	(0.77)	26.51	(1.50)	(1.19)	(2.34)	(2.60)	0.87	(0.91)	(0.36)	(1.19)	(1.09)	0.30	(1.09)	(0.17)
US	8740.87	0.22	21.61	1.33	0.20	(2.67)	(3.24)	(0.44)	0.17	0.85	0.91	0.04	1.17	(1.14)	0.93
AUSTRALIA	3286.80	1.53	20.23	N.A	2.53	6.30	2.26	1.89	(0.12)	1.43	1.10	0.65	0.39	N.A	3.87
BRAZIL	53999.52	(0.89)	21.75	N.A	N.A	N.A	N.A	N.A	0.02	N.A	N.A	N.A	N.A	N.A	(0.46)
MEXICO	25183.83	0.31	16.28	N.A	6.07	Tim	1.26	N.A	N.A	N.A	Tim	N.A	N.A	N.A	Tim

**KEY HIGHLIGHTS...**

<b>European Stocks, U.S. Futures Drop...</b> European stocks and U.S. futures fell on concern a three-month rally has outpaced expectations for earnings and economic growth and Credit Suisse Group AG downgraded its recommendation on American equities.
<b>U.K. Consumer Confidence Increased to Six-Month High...</b> U.K. consumer confidence increased in May to the highest level in six months as shoppers became more hopeful that the economy will emerge from recession. An index of sentiment rose 2 points to 53.
<b>Asian Stocks Rise for Fourth Day on Economic Growth Optimism...</b> Asian stocks rose for a fourth day, led by banks and energy companies, as faster-than-expected Australian economic growth and U.S. home sales fueled optimism the global recession is easing.
<b>Australia's Economy Unexpectedly Expanded 0.4%, Defying Global Recession...</b> Australia's economy unexpectedly grew in the first quarter, skirting the global recession that has swamped the U.S., the U.K. and Japan, as exports and consumer spending increased. Gross domestic product rose 0.4 percent in the three months to March 31 after it contracted a revised 0.6 percent in the fourth quarter. The median estimate by Bloomberg was for a 0.2 percent decline.

**DOMESTIC...**

- Railways cut iron ore export freight; base class down to 180 vs 450.
- Textile Commissioner sees no hike in cotton MSP year to Sep 2010.

**COMPANY...**

- ITC ups Benson & Hedges, 555 cigarette price 11% to 100 rupee/pack.
- Hindustan Petroleum Corp Ltd will invest 6.14 bln rupees in two sugar mill projects in Bihar to produce ethanol for blending with petrol. Hindustan Petroleum had last year acquired two sick sugar mills—Sagauli and Lauriya—in Bihar for around 950 mln rupees. The investment would be for setting up new plants by dismantling the existing facilities.
- BHEL gets 3.75-bln-rupee Oman order for 2 gas turbine generators.
- Fitch says MTN deal could push up Bharti Airtel's debt by \$4 bln.
- GMR's DIAL selects Aer Rianta-IDFS combine for duty free ops JV.
- REpower to get 600-mln-euro syndicated loan from German banks, Fls.
- Tata Tele to launch GSM services in country from Kerala this month.
- GAIL Gas Ltd., a wholly owned unit of GAIL (India) Ltd. plans to raise a combined \$64 million in debt from state-run banks and a government-backed lending agency to roll out a gas-distribution network in four cities. GAIL Gas recently won bids to develop networks in four cities—Mathura in the northern state of Uttar Pradesh, Sonapat in the northern state of Haryana, Kota in the western state of Rajasthan and Dewas in central state of Madhya Pradesh. GAIL Gas would need about INR10 billion to develop the gas pipeline infrastructure in all the four cities and the funds will be mobilized with a debt component of 60% and the remaining from equity.
- Mcleod Russel India Ltd has recommended dividend of Rs.2.00 per share for the financial year ended March 31, 2009.
- Escorts Ltd informs that the High Court of Punjab and Haryana has directed that a meeting of the equity shareholders be convened on July 12, for the purpose of considering the Scheme of Arrangement between Escorts Agri Machinery Inc and Escorts Ltd and their respective shareholders and creditors.
- Jaihind Projects Ltd has been awarded order of Rs 230.81 crores from Gujarat State Petronet Ltd for E.P.C. Project for Darod - Jafrabad Gas Pipeline Project - Section A. The company has also been awarded order of Rs 14.84 crores from Gujarat State Petronet for Laying of Olpad-Utran Gas Pipeline Project.
- Hinduja Foundries Limited informs that Tamil Nadu Electricity Board has reduced the power cut from 40% to 30%. In view of this, the number of working days has been increased by 3 days for Ennore and Sriperumbudur units.
- GMR Infrastructure Ltd inform that Delhi International Airport (P) Ltd, has issued letter of award to the consortium comprising Aer Rianta International of Ireland and Indian Duty Free Services to participate with DIAL in a joint venture company for license to develop, operate, maintain and manage duty-free outlets at Indira Gandhi International Airport's upcoming Terminal 3.
- MARG Ltd has inked a memorandum of understanding with BSNL to provide telecommunication facilities in the upcoming mega infrastructure project, MARG Swarnabhoomi. As part of the MoU, BSNL will provide complete telecom solutions, including voice data, WiFi hotspots, video and audio conferencing facility, broadband, leased lines and wireless services.
- Deccan Cements Ltd informs that it has successfully completed its 1 million TPA expansion project including an 18 MW captive thermal power plant at Bhavanipuram, Andhra Pradesh.
- Modern India Ltd has disinvested its entire holding in Modern India Realty & Infrastructures Ltd, and as such it is no more a wholly-owned subsidiary.
- Flawless Diamond India Ltd has received order for its Designer Jewellery from Tsutsumi Jewellery Co Ltd from Japan worth Rs 240 million and Brilliant Gems Inc US worth Rs 96 million. This order should be completed within 120 days.
- Nucleus Software Exports Ltd has strengthened its six-year long partnership with United Finance Company, the largest finance company of Oman. Nucleus' FinnOne will now power UFC with its Lead Management System and Customer Service Module, to be implemented across 7 branches of the company.
- REIL Electricals to delist shrs from Mumbai, Hyderabad exchanges.

**COMMODITY & CURRENCY...**

<b>PRECIOUS METALS (SPOT PRICES)</b>			
Name	Last Trade	% CHG 1D	% CHG 5D
<b>GOLD</b>	68.04	(0.77)	7.20
<b>SILVER</b>	4.12	0.05	16.51
<b>PLATINUM</b>	68.04	(0.77)	7.20

<b>ENERGY</b>			
Name	Last Trade	% CHG 1D	% CHG 5D
<b>CRUDE OIL</b>	67.99	(0.77)	7.20
<b>NATURAL GAS</b>	4.12	0.05	16.51

<b>BASE METALS</b>			
Name	Last Trade	% CHG 1D	% CHG 5D
<b>Copper</b>	5015	(0.69)	7.50
<b>Aluminum</b>	1478	0.41	5.20
<b>Nickel</b>	14435	(1.27)	7.76
<b>Lead</b>	1645	(0.84)	13.84
<b>Zinc</b>	1567	(0.81)	7.36

<b>LME INVENTORY (metric tonnes)</b>			
Name	Inventory	% CHG 1D	% CHG 5D
<b>Copper</b>	306525	(0.87)	(3.99)
<b>Aluminum</b>	4241350	(0.03)	0.70
<b>Nickel</b>	109128	(0.06)	0.45
<b>Lead</b>	80825	1.03	6.70
<b>Zinc</b>	322575	(0.15)	(0.26)

<b>CURRENCY</b>			
Name	Last Trade	% CHG 1D	% CHG 5D
<b>RS/\$</b>	46.92	0.25	1.67
<b>\$/€</b>	1.42	0.48	(2.88)
<b>DOLLER INDEX</b>	78.77	0.50	(2.44)
<b>¥/\$</b>	95.99	(0.21)	(0.65)

<b>Today's Major Economic Events</b>			
IST	Data	Expected	Prior
16:30	MBA Mortgage Applications	--	-14.20%
17:00	Challenger Job Cuts YoY	--	47.00%
17:45	ADP Employment Change	-525K	-491K
19:30	ISM Non-Manf. Composite	45	43.7

- **Gold, little changed** after reaching a three-month high in London, may decline as a rebounding dollar curbs demand for the metal as an alternative investment. The U.S. Dollar Index, a six-currency gauge of the greenback's value, rose for the first time in a week as investors sought the currency's refuge after equities fell. Gold last rose above \$1,000 an ounce Feb. 20. The metal has Gold May Drop in London Trade as Stronger Dollar Cuts Demand.
- **Crude oil fell** in New York as the dollar strengthened from a five-month low versus the euro, limiting the need for alternative investments to hedge against inflation. A government report later today will probably show U.S. crude-oil stockpiles dropped 1.5 million barrels last week, according to a Bloomberg survey. Crude oil for July delivery fell as much as 68 cents, or 1 percent, to \$67.87 a barrel on the New York Mercantile Exchange. It traded for \$68.03 at 10 a.m. London time. Futures reached \$69.05 a barrel yesterday.
- **Copper, little changed** in London today, may rise after a report on U.S. house sales fueled speculation about a rebound by the world's biggest economy. Sales of existing homes in the U.S. gained 6.7 percent in April, the most in more than seven years, as lower prices drew. U.S. service industries probably contracted at a slower pace in May, adding to signs the economic slump is abating. Copper for three-month delivery added as much as \$63.75, or 1.3 percent, to \$5,113.75 a metric ton on the London Metal Exchange. The contract slipped \$10, or 0.2 percent, to \$5,040. Copper futures for July delivery fell 0.1 percent to \$2.2955 a pound on the New York Mercantile Exchange's Comex division.
- China, the world's largest **natural rubber** consumer, may stockpile about 100,000 metric tons of the material from the domestic market to boost prices and support local plantations. Demand for **aluminum** in China, the world's largest metal consumer, is rising from the auto and construction industries and as smelters may be re-stocking, an executive from a Chinese unit of Alcoa Inc. said.
- **The dollar rose against the euro** and the yen as investors sought refuge in the U.S. currency after stocks fell on concern a three-month rally has outpaced expectations for economic growth and earnings. The dollar climbed from a five-month low against the euro as the Dow Jones Stoxx 600 Index of European shares fell 1 percent from near the highest level since November and U.S. stock-index futures declined. The euro weakened as a report showed European gross domestic product shrank 2.5 percent from the fourth quarter, the most since 1995.
- **The pound climbed** to a six-month high against the euro after U.K. consumer confidence in May rose the most in almost two years, fueling speculation the worst of the recession is over. The British currency surpassed \$1.66 for the first time in seven months and surged to the strongest versus the euro since Dec. 3 after a government report showed Australia's economy unexpectedly grew in the first quarter, underpinning investor optimism the global economy is improving and denting demand for safer assets.
- **India's rupee** will rise from an 18-month high versus the Chinese yuan as the South Asian nation's limited reliance on exports helps it weather the global economic slump. The rupee climbed 6.2 percent against the yuan in May, the biggest monthly gain in at least a decade, as India's trade deficit narrowed by 49 percent since November, while China's surplus fell by 67 percent. **The Indonesian rupiah and the Korean won gained** after data from the U.S. and Australia added to signs of a global economic recovery, giving investors the confidence to buy emerging-market assets.

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[research@lohiasecurities.com](mailto:research@lohiasecurities.com)

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#### Our Research Analysts-

Name	Email -ID
<b>Nandita Jaiswal -CFA , MS (Finance)</b>	<b>nandita_cfa@yahoo.co.in</b>
<b>Neeraj Toshniwal -CFA , MS (Finance)</b>	<b>neeraj_toshniwal@yahoo.co.in</b>
<b>Rina Sanghavi -CFA , MS (Finance)</b>	<b>rinasanghavi2005@yahoo.co.in</b>
<b>Rohit Bangani -CFA , MS (Finance)</b>	<b>rohit_bangani@yahoo.co.in</b>
<b>Tarun Taparia -CFA , MS (Finance)</b>	<b>tarun_taparia2005@yahoo.co.in</b>
<b>Uday Dubey -CFA</b>	<b>udaydubeyster@gmail.com</b>

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