

	Index Value	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	4429.90	(3.42)	16.15	(3.37)	(3.50)	(10.92)	(5.01)	(2.77)	0.99	N.A	(6.92)	(2.99)	(2.49)	(3.98)	(1.85)
NIKKEI	9865.63	1.00	(98.05)	N.A	N.A	0.34	3.15	1.00	(0.43)	N.A	(0.56)	(0.23)	0.49	(0.22)	N.A
KOSPI	1393.30	(0.10)	29.45	N.A	(1.19)	(0.23)	(0.46)	(0.34)	N.A	(1.18)	0.95	0.42	(0.47)	0.67	(0.04)
SHANGHAI	2768.34	0.52	27.92	N.A	(0.78)	N.A	1.98	0.42	(0.35)	N.A	(0.68)	(1.28)	0.29	(0.43)	(1.50)
TAIWAN	6628.02	(3.34)	62.19	(3.46)	N.A	(4.36)	(5.34)	(2.72)	(1.46)	(3.61)	(3.51)	(1.60)	(1.84)	(3.07)	N.A
HANGSENG	18253.39	(2.28)	16.37	N.A	(0.06)	(2.28)	(2.01)	0.19	(2.15)	N.A	N.A	N.A	N.A	(1.03)	(0.80)
CAC	3280.30	(1.76)	11.60	N.A	(0.90)	N.A	(0.77)	0.06	(0.52)	N.A	(0.82)	(0.24)	1.10	(0.24)	0.60
FTSE	4376.03	(1.41)	29.63	(2.40)	(0.69)	(0.99)	(1.70)	(0.92)	(1.44)	(0.46)	(2.02)	(1.29)	(0.31)	(0.88)	0.12
DAX	4988.93	(1.74)	26.68	(0.61)	(2.37)	(1.59)	(2.45)	0.07	(1.01)	(1.66)	(2.37)	(0.90)	(1.05)	(0.90)	(0.13)
US	8763.13	0.15	21.66	(0.07)	(0.25)	(2.14)	(2.10)	0.13	0.69	0.55	0.02	(0.67)	(0.37)	0.12	0.03
AUSTRALIA	3249.50	0.96	19.90	N.A	0.74	(3.30)	(1.15)	(0.75)	0.44	0.85	2.79	1.02	(2.53)	N.A	(1.92)
BRAZIL	53341.01	(0.23)	21.49	N.A	N.A	N.A	N.A	N.A	(0.59)	N.A	N.A	N.A	N.A	N.A	(0.22)
MEXICO	24913.01	0.67	16.14	N.A	2.00	#N/A	0.61	N.A	N.A	N.A	#N/A	N.A	N.A	N.A	#N/A

KEY HIGHLIGHTS...

Stocks in Europe, Asia Drop; Anglo American...

Stocks fell in Europe and Asia amid speculation that share prices have outpaced the prospects for earnings growth after a three-month rally. U.S. futures slid.

Japan Bankruptcies Fall for First Time in Year; Sentiment Rises...

Japan's corporate bankruptcies dropped for the first time in 12 months and merchant sentiment climbed to a one-year high, signs that the economy is starting to recover from its deepest postwar recession. Bankruptcies fell 6.7 percent in May from a year earlier to 1,203 cases. The Economy Watchers index, a survey of people who deal with consumers, climbed to 36.7 last month from 34.2, the Cabinet Office said the highest since March 2008.

Taiwan's exports fell at a slower pace...

Taiwan's exports fell at a slower pace for a second month as Chinese demand for electronics provided some relief for the recession-stricken economy. Overseas shipments fell 31.4 percent in May from a year earlier, following a 34.3 percent drop in April. Economists expected a 34 percent decline. The island posted a trade surplus of \$3.17 billion as Imports slid 39.1 percent. Exports, which account for about 70 percent of the economy, may keep improving as China implements a 4 trillion yuan (\$585 billion) stimulus package and U.S. consumers increase spending.

DOMESTIC...

➤ The government may do away with Securities Transaction Tax in the Union Budget for 2009-10 (Apr-Mar). However, the Securities Transaction Tax could be replaced by some non-distortionary tax. Removal of STT will make our stock market transactions one of the cheapest in the world. Separately, the official said the government is likely to allow infrastructure-based special economic zones to raise money via external commercial borrowing.

➤ New Wholesale Price Index series by Dec; to track more commodities.

SECTOR...

➤ Govt's fuel price deregulation plan on backburner as crude rises.

➤ India May car sales up 2% on year; truck, bus down 15%.

➤ India May cement output up 12% on yr, sales up 11%.

COMPANY...

➤ **GMR Infrastructure Ltd** inform that the Delhi International Airport (P) Ltd, has issued letters of intent to award four packages to set up food and beverage outlets in the upcoming Terminal 3 at Delhi's Indira Gandhi International Airport. Successful bidders will set up separate joint venture companies with DIAL to develop, operate, maintain and manage the outlets. A total of 15 proposals from six bidders were received for the four license packages. DIAL will be taking 40% stake in the joint venture companies with the successful bidders.

➤ **Ram Informatics Ltd** has received an order from the Balaji Urban Co-Operative Bank Ltd, Tirupati for total branch automation with the company's banking software product "Smart BANKER".

➤ **Cranes Software International Ltd's** subsidiary Proland Software has entered into a strategic partnership With VirusBuster, a Hungary-based security solutions provider. The Indian company will be able to provide a wider selection of security solutions to its customers.

➤ **Jaiprakash Associates Ltd** has posted a net profit of Rs 8970.10 million for the year ended March 31, 2009 whereas the same was Rs 6096.70 million for the year ended March 31, 2008. Total Income for the year ended March 31, 2009 was Rs 61479.30 million compared to Rs 42612.00 million same period last year.

➤ **ANG Auto Ltd** and TowerWorx USA have entered into a Joint Venture to produce and market Mobile Towers solutions in India. ANG Auto Ltd and TowerWorx USA have a 50% stake in the new company known as Towerworx India (P) Ltd.

➤ **Videocon Industries Ltd** set to launch its DTH services from Kolkata on Jun 20. The electronics and consumer durables major plans to roll out the DTH services under the brand D2H+.

➤ **Gwalior Chemical Industries** announced it will sell chemical, and windmill businesses for 5.36 bln rupees. Gwalior Chemical will invest the proceeds in its power generation operations. The company's decision to consider spending up to 1 bln rupees from the proceeds of this transaction to reward shareholders through dividend or share buyback also helped the stock move higher.

➤ **Pfizer Inc** to acquire ICICI Venture's stake in animal health co.

➤ **Dish TV** promoters sold 55 mln shares at 49 rupees per share via a block deal, raising 2.7 bln rupees in the process. The stake sale proceeds could be largely to fund the direct-to-home service provider's capital requirements. Dish TV is also looking to raise more funds through foreign currency convertible bonds.



PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
GOLD	947.04	(3.01)	(3.98)
SILVER	14.87	(4.99)	(6.36)
PLATINUM	1225.75	(5.11)	0.01

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
CRUDE OIL	67.34	(1.61)	(1.81)
NATURAL GAS	3.78	(2.22)	(10.99)

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
Copper	4925	(1.10)	(2.96)
Aluminum	1605	1.97	8.75
Nickel	14215	(2.64)	(2.97)
Lead	1644	(2.27)	(1.39)
Zinc	1530	(2.24)	(4.97)

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
Copper	297850	(0.71)	(4.53)
Aluminum	4275400	0.90	0.90
Nickel	108750	0.07	(0.52)
Lead	81125	(0.06)	2.72
Zinc	326125	0.42	0.78

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
RS/\$	47.71	(1.23)	(1.63)
\$/€	1.38	2.53	2.94
DOLLER INDEX	81.46	0.93	2.87
¥/\$	98.59	(1.75)	(3.91)

Today's Major Economic Events			
IST	Data	Expected	Prior

COMMODITY & CURRENCY...

- **Gold fell to the lowest in more than a week as the dollar strengthened**, reducing the metal's appeal as an alternative investment. The U.S. Dollar Index, a six-currency gauge of the greenback's value, gained 0.7 percent today after jumping 1.7 percent on June 5, the most in more than four months. Gold, which typically moves inversely to the U.S. currency, slumped 2.6 percent on June 5, the most in two months. The dollar is still going to be the main driver" for gold, said Bernard Sin, head of currency and metals trading at Swiss refiner MKS Finance SA, by phone from Geneva. "Any bad news will trigger more selling. Bullion for immediate delivery lost \$6.63, or 0.7 percent, to \$948.63 an ounce by 9:05 a.m. local time. The metal earlier gained as much as 0.5 percent. August gold futures slipped \$12.70, or 1.3 percent, to \$949.90 an ounce on the New York Mercantile Exchange's Comex division.
- **Crude oil fell from a seven-month high** after the dollar strengthened on a government report that the U.S. lost fewer jobs in May than forecast. Oil declined as the U.S. currency rose against the euro and yen, reducing demand for commodities as an alternative investment. Prices climbed above \$70 for the first time since November after the Labor Department's payroll report signaled that the worst of the economic slump may be over. The jobs data gave everything a boost until the dollar reversed, which caused oil to back off. There may be a rethinking of the jobs data. It was better than expected, but it's still bad.
- **Copper fell for a second day in London**, tracking declines in oil and gold, as a stronger dollar reduced the appeal of commodities as an alternative investment and increased costs for investors holding other currencies. The U.S. Dollar Index, which tracks the currency against a basket of six major monies, has risen 2.2 percent from June 5. The amount of copper stockpiles earmarked to be withdrawn from London Metal Exchange-registered warehouses, or canceled warrants, has slumped 61 percent from this year's April 30 peak to 32,475 metric tons. Copper's downward move was pressured by a strengthening dollar. The three-week rally in prices "is also very questionable, given the declines in canceled warrants. The metal for delivery in three months lost \$69, or 1.4 percent, to \$4,911 a ton on the LME. The contract added 3.1 percent last week, taking its gain since the week ending May 15 to 12 percent.
- **The dollar rose against the euro** as stocks fell around the world and investors raised bets the Federal Reserve will increase interest rates by the end of the year as the economy recovers. The U.S. currency gained most versus the South African rand as the MSCI World Index dropped for a second day and Fed funds futures showed a 40 percent chance the central bank will lift its target rate by September, up from 13 percent a week ago. The yen advanced from a one-month low against the dollar as Japanese bankruptcies fell and merchant confidence improved. The pound slid for a fourth day against the dollar as Prime Minister Gordon Brown confronted a fresh attempt to oust him from office.
- **The British pound fell** for a fourth day against the dollar as Prime Minister Gordon Brown confronted a fresh attempt to oust him following a drubbing in European Union parliamentary elections. The U.K. currency also slipped versus the euro after former Bank of England policy maker David Blanch flower said the central bank may expand its program of buying assets with newly created money as the economy shrinks. Brown meets with the 350 Labour members of Parliament today. The party was running third in the EU elections with 15.3 percent, down 7 percent from 2004, the BBC reported. The more Brown resists calls to resign, the more this will weigh on the pound.
- **South Korea's won and the Indonesian rupiah led declines among Asian currencies** as signs a U.S. recession is easing helped strengthen the dollar, damping demand for riskier emerging-market assets. Ice's Dollar Index, which tracks the greenback against six major currencies, rose on June 5 by the most since January after a government report showed the U.S. lost fewer jobs than economists had forecast in May. Taiwan's dollar weakened for a fourth day on speculation officials will cap appreciation to bolster exports before data today that may show overseas sales shrank for a ninth month. The global strength of the dollar is the key driving force. Traders feel comfortable with pushing the dollar higher but will have to keep a tab on the performance of exporters and foreign investors.

For suggestions, clarifications & your valuable feedback write back to us at

research@lohiasecurities.com

To access Lohia Research on Bloomberg type **LSEC<GO>**

We are also available at **Thomson Reuters** and **Reuters Contributor**.

Our Research Analysts-

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

DISCLAIMER: The information and opinions contained herein have been compiled or arrived at, based upon information obtained from reliable sources. Such information has not been independently verified and no guarantee, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. LSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report. LSL and its directors, associates, employees may or may not have any positions in any of the stocks dealt in the report. **This report is only for PRIVATE CIRCULATION.**