

	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	3600.15 (0.97)	13.16	0.70	(1.08)	2.81	(0.39)	0.03	(0.51)	N.A	(0.83)	(1.35)	(0.04)	0.05	(1.37)
NIKKEI	9093.73 (2.64)	127.61	N.A	N.A	(3.82)	(4.94)	(1.05)	(0.36)	N.A	(6.09)	(1.11)	(0.36)	(1.19)	N.A
KOSPI	1380.95 (2.37)	19.04	N.A	(2.94)	(2.99)	(3.42)	(1.69)	N.A	(1.54)	(3.81)	(4.64)	(1.76)	(1.19)	(2.09)
SHANGHAI	2639.89 (0.90)	26.53	N.A	(0.29)	N.A	(1.46)	0.26	0.87	N.A	(1.13)	0.04	0.11	0.88	0.22
TAIWAN	6364.17 (1.87)	59.85	(2.23)	N.A	(0.85)	(3.73)	(1.91)	(0.62)	(1.44)	(0.77)	(0.72)	(0.33)	(0.21)	N.A
HANGSENG	16541.69 (3.04)	14.87	N.A	(4.16)	(2.72)	(3.05)	(0.98)	4.09	N.A	N.A	N.A	N.A	0.39	(1.95)
CAC	3152.20 (0.02)	11.03	N.A	(0.59)	N.A	(1.43)	(0.10)	(0.33)	N.A	(1.02)	(0.71)	(0.53)	(0.71)	0.82
FTSE	4335.37 0.09	22.78	0.00	0.83	(0.01)	3.30	0.16	0.02	1.00	3.43	(1.30)	(0.81)	0.33	(1.12)
DAX	4719.18 (0.18)	24.69	(0.80)	0.77	0.01	0.78	0.21	0.16	(0.39)	0.77	(0.59)	0.57	(0.59)	0.30
US	8284.89 (2.18)	20.46	(4.54)	(2.69)	(6.63)	(5.56)	(4.52)	(2.26)	(4.16)	(6.33)	(2.95)	0.24	(2.72)	(2.30)
AUSTRALIA	3054.60 (3.32)	18.39	N.A	(4.29)	(4.18)	(2.85)	(0.89)	(0.76)	(2.05)	(4.84)	(4.16)	(0.75)	N.A	0.37
BRAZIL	48679.19 (3.27)	17.95	N.A	N.A	N.A	N.A	N.A	(2.89)	N.A	N.A	N.A	N.A	N.A	(2.36)
MEXICO	23155.01 (2.29)	15.13	N.A	(2.24)	Tim	(2.34)	N.A	N.A	N.A	Tim	N.A	N.A	N.A	Tim

KEY HIGHLIGHTS...

Stocks in Emerging Markets Slump; Oil Retreats...

Emerging-market stocks fell for a fourth day, the longest losing streak since January, and commodities dropped on concern the recovery from the first global recession. The MSCI Emerging Markets Index lost 2 percent at 10 a.m. in London, the steepest decline since April 27, as mining companies and Asian exporters retreated. The Dow Jones Stoxx 600 Index of European stocks were little changed after earlier dropping 1.1 percent. Crude fell for a second day and copper declined to a two-week low.

Weber, Kranjec Clash a Week After Trichet Calls Truce...

European Central Bank policy makers clashed over the bank's asset-buying program less than a week after President Jean-Claude Trichet engineered a truce. ECB is "likely" to spend more than the 60 billion euros (\$82 billion) it has earmarked for covered-bond purchases and hasn't ruled out acquiring corporate bonds and commercial paper. Hours later Germany's Axel Weber, who had already said there's "no need" to buy any other assets, insisted 60 billion euros is the maximum.

Wholesale Prices in U.S. Probably Rose in April on Oil Costs...

Prices paid to U.S. producers probably rose in April as oil costs rebounded. The projected 0.2 percent increase in wholesale prices would follow a 1.2 percent drop in March. Another report may show the number of people claiming jobless benefits climbed last week from a three-month low. Signs that the worst of the recession is over may boost commodity costs further, alleviating concern over deflation, or an extended drop in prices that hurts the economy.

DOMESTIC...

- Trade secy says India April exports \$10.8 bln, down 33% on year.
- Met says monsoon may hit Kerala on May 26, six days before normal.
- India May 2 WPI inflation rate 0.48% vs 0.70% week ago.
- SEBI chief says looking at tightening cos' share buyback norms.
- Govt may OK 2 mln tn wheat export by private traders after poll result.
- BME in talks to set up LME warehouses in Indian metros.

SECTOR...

- The government today extended anti-dumping duty on import of caustic soda from Indonesia and the European Union, excluding France, by another five years. The anti-dumping duty imposed under this notification shall be effective for a period of five years.

COMPANY...

- SBI revises up Q4 NPA provisioning to 12.96 bln rupee vs 11.79 bln.
- PNB says in advanced talks to dilute 26% in PNB Housing Finance.
- MTNL to launch 3G telecom services in Mumbai Friday.
- Moser Baer CFO says keeping faith in PV, film businesses.
- Clariant Chemicals to sell Diketene ops for 132.5 mln rupees.
- The Leela Hotels and Resorts has plans to open hotels in Agra and Jaipur to make its strong presence felt in the country's vital tourism circuit. The future plans of the Leela, which entered the ancient city of Udaipur in Rajasthan last month, included entry into Hyderabad and Pune besides completing the ongoing projects in New Delhi and Chennai by 2010.
- Bajaj Auto has received patent for its invention — multi-spring vehicle shock absorber — used in its motorcycles, with which it hopes to counter cheap Chinese copycats.
- Oil and Natural Gas Corporation wants to quit from Cairn India's prolific Rajasthan oil fields but the exit will not absolve it from its obligation to pay government levies on the crude oil produced. The government, in order to attract foreign investment, had promised to take care of statutory levies on oil and gas production when it awarded blocks like RJ-ON-90/1 in Rajasthan more than a decade ago.
- Tata Power moved the Supreme Court challenging the government decision that allowed Reliance Power to divert surplus coal from the Sasan power project. Bench headed by Chief Justice K G Balakrishnan refused to give any interim relief to Tata Power, which has sought to restrain the Government from allowing Reliance Power to use the captive coal allocated to the Anil Ambani group firm for any purpose other than generating electricity for the Sasan ultra mega power project.
- Power Grid Corporation will raise up to Rs 3,000 crore through issue of bonds by August this year. They would raise Rs 2,000 crore to Rs 3,000 crore through bonds by August. The company had already raised Rs 2,000 crore by issuing bonds last month.
- Shriram Transport Finance Company plans to set up a wholly-owned subsidiary for conducting equipment finance business. The company scents an immense potential in equipment financing business.
- Indian Oil Corp Ltd has achieved financial closure for its upcoming 15-mln tn refinery at Paradip, Orissa. The refinery, estimated to cost 335.04 bln rupees, has a debt, equity ratio of 60:40. The company will get a 14 year, 149-mln-rupee loan from a consortium of 21 lenders led by State Bank of India. The consortium has 18 other public sector banks, Life Insurance Corp of India and Housing and Urban Development Corp Ltd. They will raise another 52 bln rupees by foreign currency loans or a domestic bond issue. The rest 134 bln rupees will come by way of internal accruals. The refinery is likely to be commissioned by Mar 2012.

PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
GOLD	923.10	0.12	0.72
SILVER	13.82	(2.44)	(1.46)
PLATINUM	1105.25	(2.28)	(5.25)

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
CRUDE OIL	57.08	(1.62)	0.65
NATURAL GAS	4.25	(1.87)	4.19

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
Copper	4380	(1.26)	(6.90)
Aluminum	1512	(0.98)	(3.51)
Nickel	12275	(1.41)	(7.67)
Lead	1409	(3.20)	(3.59)
Zinc	1460	(1.08)	(7.89)

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
Copper	370650	(0.83)	(5.90)
Aluminum	3886700	0.16	1.09
Nickel	111006	(0.58)	(0.95)
Lead	73500	0.00	0.41
Zinc	322025	0.00	(0.98)

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
RS/\$	49.84	(0.40)	(1.19)
\$/€	1.36	0.50	(1.94)
DOLLER INDEX	82.63	0.13	(1.59)
¥/\$	95.36	0.66	4.08

Today's Major Economic Events			
IST	Data	Expected	Prior
18:00	Producer Price Index (MoM)	0.20%	-1.20%
18:00	PPI Ex Food & Energy (MoM)	0.10%	0.00%
18:00	Producer Price Index (YoY)	-3.70%	-3.50%
18:00	PPI Ex Food & Energy (YoY)	3.40%	3.80%
18:00	Initial Jobless Claims	610K	601K
18:00	Continuing Claims	6400K	6351K

COMMODITY & CURRENCY...

- **Gold, little changed in London**, may fall as the dollar strengthened for a second day against major currencies and a decline in crude oil reduced demand for the metal as a hedge against inflation. The Dollar Index, a measure against the euro, yen, pound, Swiss franc, Canadian dollar and Swedish krona, rose as much as 0.4 percent. We are seeing a stronger U.S. dollar and that is weighing on prices. Gold for immediate delivery fell \$2.35, or 0.3 percent, to \$923.95 an ounce at 9:30 a.m. in London. The metal reached \$930.90 yesterday, the highest compared with intraday prices since April 1. Futures for June delivery fell \$1, or 0.1 percent, to \$925.30 on the Comex.
- **Oil fell for a second day** after the International Energy Agency cut its 2009 forecast for world oil demand, projecting consumption will drop the most since 1981. **The IEA, the Paris-based adviser to 28 nations, reduced its demand estimate to 83.2 million barrels a day this year, down 3 percent from 2008. That is 230,000 barrels a day lower than it forecast last month.** The revision comes a day after OPEC reduced its 2009 forecast and said it increased supplies last month. Demand continues to look very, very weak. Although there has been a lot of talk about the green shoots of economic recovery, we think it is still a little bit early to be flagging any start of a full blown recovery.
- **Copper dropped to a two-week low** as investors judged a rally that boosted prices by half this year was not justified amid weaker-than-expected economic reports on the approach of the seasonal slowdown. Futures declined after U.S. April retail sales dropped 0.4 percent, compared with economists' forecasts for no change. The metal surged 53 percent this year up to May 8 on speculation demand will rebound as the global economy recovers. We're seeing the market moderate from the strong rally, which really didn't quite justify the fundamentals as we head toward the seasonally slow demand period.
- **The dollar strengthened against** the South Korean won and South African rand as emerging-market stocks fell the most in almost seven weeks, spurring demand for the U.S. currency as a refuge. The dollar also rose against the yen and Taiwan dollar as the MSCI Asia-Pacific Index dropped the most and speculation a report will show U.S. jobless claims rose last week damped appetite for higher-yielding emerging- market assets. The dollar and the yen will remain relative out performers. Stock markets remain a key driver of currencies, and their decline is clearly reflected in the gain in the dollar.
- **The yen may reverse this year's drop against the U.S. dollar and the British pound** as Japan's currency takes over from the greenback as the best refuge from the global financial crisis. Investors may benefit by adding to bets against the dollar, with the U.S. currency expected to reach 92 yen by year-end, wrote analysts led by Stephen. The U.S. dollar's cozy relationship with risk aversion is at risk itself. The yen "has a chance at establishing its credentials as the refuge of choice in time of market uncertainty.
- **Asian currencies weakened**, led by South Korea's won and the Philippine peso, as an unexpected drop in U.S. retail sales damped optimism the worst global recession in at least half a century was easing. Nine of Asia's 10 most-used currencies excluding the yen fell and shares slumped across the region as investors favored safer bets than emerging-market assets. A report next week may show Japan's economy, the world's biggest after the U.S., shrank at a record pace in the first quarter. The MSCI Asia Pacific Index of shares dropped 2.3 percent, paring this quarter's advance to 18 percent. Asian currencies are basically equity sensitive. As some of the numbers coming out have been disappointing, investors try to take profit.
- **Indian rupee volatility will rise from a two-month high** as the prospect that elections will end without a clear victor makes it harder to revive the economy from its worst slump in 16 years expectations for currency fluctuations doubled in the second quarter of the 2004 election year and investors sold the country's shares in May, when the Indian National Congress was forced to seek support of Communists and other parties to win a majority in parliament. The ruling coalition now has 12 members. A final tally for this year's vote is due May 16. Volatility in the rupee could be higher in coming weeks as the uncertainties about the new government add to the already-bearish prospects. A 2.3 percent contraction in factory output in March, 2009, from a year earlier highlights the challenge faced by the winning coalition.

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