

	Index Value	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	2775.95	0.20	9.42	0.55	0.01	3.79	(1.89)	(0.36)	0.07	N.A	0.03	1.29	(0.54)	0.61	0.30
NIKKEI	7534.44	(1.45)	22.70	N.A	N.A	(2.59)	(1.86)	(1.75)	(1.74)	N.A	(2.67)	(1.87)	(2.94)	(0.39)	N.A
KOSPI	1113.19	(1.24)	8.98	N.A	(1.09)	0.84	(2.17)	(0.71)	N.A	(0.95)	(2.30)	(2.17)	4.04	(1.13)	(1.52)
SHANGHAI	2209.86	(4.72)	17.42	N.A	(3.77)	N.A	(4.72)	(4.39)	(5.32)	N.A	(4.88)	(6.55)	(2.89)	(3.67)	(5.28)
TAIWAN	4498.37	0.15	10.90	(1.48)	N.A	(0.70)	(0.34)	1.42	0.54	1.06	(1.74)	0.49	(0.70)	(1.39)	N.A
HANGSENG	13016.00	0.55	8.06	N.A	(0.42)	0.28	(0.30)	1.60	1.23	N.A	N.A	N.A	N.A	1.29	1.05
CAC	2846.48	(1.00)	7.98	N.A	(1.31)	N.A	(5.51)	(1.48)	(0.76)	N.A	(5.81)	(3.46)	(1.00)	(3.46)	(3.18)
FTSE	3981.98	(1.29)	8.35	(3.51)	(2.04)	(0.13)	(0.36)	(0.16)	(0.65)	(2.05)	(5.15)	(1.87)	0.80	(3.05)	(2.34)
DAX	4159.07	(1.36)	11.36	(2.07)	(2.01)	(2.45)	(3.27)	0.27	(1.17)	(2.08)	(2.01)	(1.31)	(0.38)	(1.31)	0.69
US	7552.60	(3.79)	9.19	(6.45)	(4.56)	(7.34)	(11.21)	(2.81)	(4.54)	(4.92)	(5.58)	(6.31)	(2.12)	(4.90)	(4.26)
AUSTRALIA	2815.60	(1.47)	10.19	N.A	(5.58)	(4.80)	(1.67)	0.57	(1.40)	(0.50)	(5.38)	(1.38)	(1.36)	N.A	(0.68)
BRAZIL	39846.97	(4.77)	8.91	N.A	N.A	N.A	N.A	N.A	(3.91)	N.A	N.A	N.A	N.A	N.A	(2.12)
MEXICO	18853.93	(3.42)	9.76	N.A	(1.98)	(4.11)	(1.80)	N.A	N.A	N.A	(1.06)	N.A	N.A	N.A	(4.18)

KEY HIGHLIGHTS...

Asian Shares End Mostly Lower; Financials, Steelmakers Weigh...

Most Asian markets ended lower as financials broadly declined after big overnight losses on Wall Street and on concerns about European banks, with steelmakers such as Posco also falling on a weak outlook for prices. Nikkei dropped 1.5%, its third consecutive decline, to end at 7,534.44, its lowest finish since October. China's Shanghai Composite, one of the best performers in the world so far in 2009, plunged 4.7% for its biggest single-day percentage loss since November, as investors locked in profits.

European Stocks Decline; BHP Billiton, Daimler, Michelin Drop...

European stocks fell for a third day as lower commodity prices dragged down basic-resource companies and automakers slumped. U.S. index futures advanced, while shares in Asia retreated.

Bank of England Voted 8-1 for 1% Rate, Blanchflower Wanted More...

Bank of England policy makers defeated David Blanchflower's call for a bigger interest-rate reduction this month, saying that further cuts may hurt the economy and banks' profits. The Monetary Policy Committee, led by Governor Mervyn King, voted 8-1 to cut the main rate to 1 percent, the lowest since the central bank was founded in 1694.

India WPI Likely +3.99% in Week to Feb 7...

India WPI-based inflation likely 3.99% on-year in week to Feb 7 vs 4.39% previous week. The inflation rate should come down due to the continuing effects of the cut in fuel prices as well as decline in prices of food products such as rice and pulses.

SECTOR...

- India, may import as much as 1.2 million metric tons of the raw sugar variety from suppliers in Brazil and Guatemala to overcome a shortfall in output and stem an increase in domestic prices.
- India's iron-ore exports in January rose for the second straight month as China, the world's largest consumer of the steel-making raw material, increased purchases. Shipments rose to 13.9 million metric tons from 11.5 million tons a year earlier.
- India's federal government said that it is at an early stage of considering a proposal to lift a ban on investments by foreign carriers in local airlines. The proposal to allow foreign airlines to invest in domestic airlines is being examined.

COMPANY...

- Reliance Infrastructure Ltd. violated the country's overseas borrowing and foreign-exchange rules by investing funds raised abroad in the local capital market.
- Aban offshore is saddled with a huge debt of Rs.13,000 crore due to its buying a 33.7% stake in Sinvest ASA, a Norwegian drilling company, for Rs 5,200 crore.
- India's capital markets regulator has received a complaint of insider trading against Reliance Petroleum Ltd. During the last three years, the Securities and Exchange Board of India is in receipt of complaints alleging insider trading in the shares of 19 listed companies, one of which is against Reliance Petroleum.
- Sterlite Industries, will now be able to acquire US copper miner Asarco at a valuation that is nearly half the earlier agreed price of \$2.6 billion, after discounting 'goodwill' and liabilities. Sterlite will pay at least \$1 billion lower than the earlier decided \$2.6 billion for the specific assets of the bankrupt Asarco.
- GlaxoSmithKline Pharmaceuticals Ltd, on standalone basis, reported net profit of Rs. 208.47 crore for the quarter ended Dec 31, 2008 against Rs. 80.90 crore in the corresponding quarter of last year. Net sales stood at Rs. 368.45 crore against Rs. 339.27 crore in the quarter ended Dec 31, 2007. For the year ended Dec 31, 2008, the company's net profit was Rs. 576.57 crore against Rs. 537.66 crore last year. Net sales were Rs. 1660.41 crore for 2008 against Rs. 1577.14 crore in 2007. The company has recommended payment of a dividend of Rs. 22 per equity share for the year ended Dec 31, 2008.
- Tata Motors has entered into an understanding with state-owned Central Bank of India (CBI) to provide retail finance to the formers' range of passenger vehicles. CBI will offer loans up to 85 per cent on the road price of the car for tenure ranging up to 7 years. Interest rate will be kept at 10.5 per cent for a 3 years tenure and 11.5 per cent for tenures greater than 3 years. This facility will be available at all 3,500 branches of CBI and 329 sales touch points of Tata Motors.
- Jet Airways (India) Ltd has no plans to cut routes further but will reduce capacity on flights to certain destinations.
- Oracle Financial Services Software Ltd has signed a global partner agreement with Solix Technologies under which the former will offer Solix EDMS as embedded functionality in Oracle FLEXCUBE to help automate archive and purge processes by classifying data, configuring and executing archiving and data migration routines.
- KEC International Ltd has bagged new orders in both rural electrification and transmission space aggregating Rs. 365 crore. The rural electrification orders are turnkey projects awarded under the Rajiv Gandhi Grameen Viduyutikaran Yojana.
- Fortis Healthcare is taking over the operational and management control of 200-bedded Apollo Modi Hospital in Kota, Rajasthan. The hospital has been renamed as 'Fortis Modi Hospital'. This is the third hospital added to the Fortis network in the last one month.
- XL Telecom & Energy plans to enter European countries such as Germany and the Czech Republic with its solar panels. The company's solar panels exported to Spain have been installed in a 30-MW solar farm. It has also received initial pilot orders valued at €2.6 million from the European Union countries and is betting big on order for its solar PV panels.

PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
GOLD	969.70	0.76	4.97
SILVER	14.24	2.38	6.07
PLATINUM	1112.25	3.08	5.63

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
CRUDE OIL	34.75	(0.52)	(7.46)
NATURAL GAS	4.17	(0.83)	(8.25)

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
Copper	3215	0.86	(7.13)
Aluminum	1319	(0.83)	(5.85)
Nickel	9750	(1.52)	(6.30)
Lead	1086	(2.07)	(7.18)
Zinc	1100	(0.90)	(6.14)

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
Copper	525300	(0.21)	1.71
Aluminum	3088075	4.74	5.91
Nickel	91494	0.57	3.79
Lead	55800	(0.22)	1.73
Zinc	353200	(0.91)	0.38

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
RS/\$	49.98	(1.14)	(2.58)
\$/€	1.26	0.56	2.86
DOLLER INDEX	87.91	0.42	2.49
¥/\$	92.58	(0.97)	(2.90)

Today's Major Economic Events			
IST	Data	Expected	Prior
17:30	MBA Mortgage Applications	- -	-24.50%
19:00	Import Price Index (MoM)	-1.20%	-4.20%
19:00	Housing Starts	529K	550K
19:00	Building Permits	525K	549K
19:45	Industrial Production	-1.50%	-2.00%

COMMODITY & CURRENCY...

- **Crude oil** traded below \$35 a barrel in New York on speculation that U.S. stockpiles climbed for the 19th time in 21 weeks amid a drop in demand because of the deepening global recession. An Energy Department report tomorrow will probably show U.S. crude-oil inventories rose 3.2 million barrels last week. The March contract expires on Feb. 20. The more active April contract was at \$38.33 a barrel, down 21 cents. Gasoline stockpiles probably declined 300,000 barrels in the week ended Feb. 13, the survey showed. Supplies of distillate fuel, a category that includes heating oil and diesel, probably dropped 1.5 million barrels.
- **Gold** advanced for a third day in Asia, climbing to the highest price since July as the deepening global recession drove investors to purchase bullion as a store of value. Low interest rate environments and spending by governments also prompted investors to buy the metal as an alternative to declining currencies. Gold priced in euros and pounds rose to all-time highs today, while bullion in Australian and New Zealand dollars and in South African rand reached records yesterday. "Safe haven or flight-to-quality demand remains the driving force behind rising gold prices, as global economic and financial market uncertainties continue. Gold futures in Dubai and India also climbed to their highest, tracking gains in the international markets.
- **Copper** rebounded in Asia as Chinese investors bought the metal after it declined to the lowest in 2-1/2 weeks. The metal lost 7 percent in the past two days on speculation waning demand will add to stockpiles that are at a five-year high of 526,425 metric tons. Among other LME-traded metals, zinc fell 0.5 percent to \$1,105 a ton, lead lost 1.7 percent to \$1,090, and nickel slid 1 percent to \$9,800. Aluminum rose 0.3 percent to \$1,334 a ton and tin was unchanged at \$10,800.
- **Natural rubber** futures tumbled to a two-week low on concern a worsening slump in global economies will slash demand for the commodity used to make vehicle tires. Prices in Tokyo lost as much as 4.6 percent to the lowest since Feb. 4 after manufacturing in New York declined in February at the fastest pace on record.
- **Sugar** output in China, the world's third-largest producer, may drop 12 percent this year because of cold weather, reduced fertilizer use and lower demand. Production may slump to 13.04 million metric tons from a record 14.84 million tons last year.
- **The pound** dropped against the dollar and euro on speculation the Bank of England will reaffirm its willingness to cut interest rates to near zero to revive the recession-hit economy. The U.K. currency traded near a two-week low versus its U.S. counterpart after the Daily Telegraph said the nation's debt may be downgraded by Standard & Poor's as the government boosts borrowing to rescue banks. The central bank is scheduled today to release the minutes of its last meeting, when it cut its benchmark lending rate to a record low.
- **The euro** rose from a 10-week low against the dollar after European banks reported fourth-quarter results that beat some analysts' forecasts, easing concern the region's financial crisis will worsen. The European currency snapped two days of losses versus the greenback and the yen after Commerzbank AG, Germany's second-largest bank, posted a net loss of 809 million euros (\$1.02 billion), and compared with analysts' median estimate for a loss of 851 million euros. ING Groep NV, the biggest Dutch financial company, had a loss of 3.71 billion euros, versus the 3.9 billion-euro loss it forecast last month.
- **The Egyptian pound** may weaken more than expected because of a slowdown in the economy and drop in the Middle Eastern country's foreign currency reserves, Goldman Sachs Group Inc. said in a report. The decline in the value of the Egyptian pound may exceed the bank's 12-month forecast to 6 pounds against the dollar.
- **Asian currencies fell**, with Taiwan's dollar dropping to a five-year low before a government report today that economists say will show the island's gross domestic product shrank by a record. South Korea's won slid to the weakest level in more than two months and Malaysia's ringgit declined to the lowest since November 2006, on speculation investors are shunning emerging-market assets as exports and regional economies slump. The MSCI Asia-Pacific Index of stocks reached the lowest in three months and is down 13 percent this year.

We would like to hear from you at research@lohiasecurities.net

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.