



	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	17.74	15.80	11.21	21.90	23.45	18.81	7.21	11.39	N.A	16.10	19.11	8.06	18.33	14.02
NIKKEI	(2.44)	#####	N.A	N.A	(4.31)	(3.26)	(1.56)	(1.50)	N.A	(3.57)	(1.48)	(0.23)	(1.43)	N.A
KOSPI	(0.36)	27.07	N.A	(0.62)	(1.68)	0.07	(0.90)	N.A	(1.87)	(1.07)	(0.54)	2.02	(0.12)	(0.73)
SHANGHAI	0.28	26.65	N.A	0.47	N.A	(0.46)	1.44	(0.90)	N.A	0.85	3.29	(1.07)	1.38	0.37
TAIWAN	1.37	62.07	2.00	N.A	4.35	2.28	1.22	(1.44)	4.44	2.28	(1.74)	2.66	0.39	N.A
HANGSENG	1.38	15.31	N.A	2.90	2.85	1.67	0.95	1.26	N.A	N.A	N.A	N.A	1.29	0.46
CAC	0.07	11.23	N.A	(1.83)	N.A	(1.79)	(0.74)	(0.27)	N.A	(0.91)	(0.76)	(0.47)	(0.76)	(0.44)
FTSE	0.77	24.09	4.69	0.21	(0.83)	3.84	1.22	1.47	(1.17)	(0.00)	0.27	0.54	(0.92)	1.15
DAX	0.20	24.61	0.59	0.08	0.35	0.96	(0.07)	2.20	(0.56)	0.08	(1.83)	1.57	(1.83)	1.32
US	(0.75)	20.41	2.20	(1.14)	(4.25)	(2.78)	(1.02)	0.44	0.55	(1.33)	(2.23)	(1.20)	(2.39)	(1.12)
AUSTRALIA	(0.98)	18.57	N.A	(0.35)	0.46	(1.32)	(0.57)	(1.46)	(1.78)	(0.50)	(1.13)	0.94	N.A	0.41
BRAZIL	(0.89)	20.28	N.A	N.A	N.A	N.A	N.A	(0.72)	N.A	N.A	N.A	N.A	N.A	(1.15)
MEXICO	(0.27)	15.23	N.A	0.44	#N/A RI Tim	0.56	N.A	N.A	N.A	#N/A RI Tim	N.A	N.A	N.A	#N/A RI Tim

Trade on the Indian stock markets was frozen at the upper circuit in reaction to UPA's phenomenal win at the general elections. All sectoral indices surged with banking spearheading the rally. Trading has been halted for the day. Bombay Stock Exchange's Sensex opened 17.24 per cent or 2099.21 points higher at 14272.63. National Stock Exchange's Nifty was locked at 4308.05 higher by 17.33 per cent or 636.40 points.

KEY HIGHLIGHTS...

The success of the Congress-led United Progressive Alliance...

The success of the Congress-led United Progressive Alliance in ensuring reforms in the banking, insurance, and pension sectors would be most crucial for investor sentiment. The investment research house expects the new government to bring in reforms such as more voting rights to shareholders in banks, thereby encouraging further private participation.

Germany May Send Opel Negotiating Team to U.S. This Week...

Germany's Economy Ministry may send a negotiating team to the U.S. this week for talks on General Motors Corp.'s Opel unit if potential bidders submit their plans with the German government by a May 20 deadline. It's not yet known if Economy Minister Karl-Theodor zu Guttenberg would accompany the team, ministry spokesman Beatrix Brodtkorb said.

German Power Capacity May Rise 5.3% in Coming Week, EEX Says...

German power producers may increase the generation capacity available for the national grid by 5.3 percent in the seven days through May 25. Capacity in Europe's biggest electricity market is forecast to climb to 63,630 megawatts from 60,445 megawatts tomorrow.

Japan Households Become Less Pessimistic on Stimulus...

Japan's consumer sentiment rose to a 10-month high in April, adding to signs that the recession in the world's second-largest economy may be easing. The confidence index climbed to 32.4 last month from 28.9 in March, the biggest jump since April 2007. The index has advanced since tumbling to 26.2 in December, the lowest since the government began compiling the figures in 1982.

Japan manufacturing mood up; recovery doubts linger...

Moody's exposed Japan of its popular AAA rating on its foreign currency debt, rekindling some speculation that other major economies may pay for their efforts to revive growth with credit downgrades. The move, which Moody's said would unify all Japanese government debt at a new Aa2 level, had limited impact on the Japanese bond market bracing for record debt supply to finance the government's record spending. It coincided with a survey of Japanese manufacturers that showed sentiment edged up from record lows this month, keeping alive hopes that a disastrous first quarter marked a low point in Japan's and the world economy's worst recession in six decades.

DOMESTIC...

➤ A finer look at the economic data released over the last one month reveals the Indian economy has left the worst behind and is set to gather momentum by December. The global research and advisory arm of The Economist Group estimates India's gross domestic product growth at 5% during the current financial year to March, and firming up to 6.4% in the next fiscal. They hope that towards the end of the year, private consumption and private investment will show some improvement, which should show a positive number in the macro economic data.

➤ With the Congress-led United Progressive Alliance government returning to power without Left parties, economic reforms are likely to get a boost. The mandate is for political and economic stability. Consequently, it is for reforms, which were put on the backburner due to pressure from the coalition partners.

COMPANY...

➤ **NTPC Ltd** had completed a 10-year, Rs85bn loan from State Bank of India. The loan will be drawn over three years and will be used to fund its existing projects. In January, NTPC sent out a request for proposals for a US\$200-300m loan but the facility never materialized.

➤ **Apollo Tyres Ltd.** has acquired the entire stake in Dutch tire-maker Vredestein Banden BV, giving the Indian company its first manufacturing base in Europe.

➤ **Essar Steel** has come back to the market with a bang after a gap of nearly seven months. The steel producer signed a deal with Shell India for 60 million cubic meters delivered at the start of May. The agreement was signed in mid-April for an ex-terminal price of \$5.30/MMBtu for spot LNG.

➤ **Suzlon Energy Ltd**-controlled REpower Systems AG reported a net profit of 51.9 mln euros for 2008-09 (Apr-Mar) from 21.1 mln euros reported in calendar year 2007. REpower earlier followed calendar year as its financial year, but now follows the Apr-Mar model.

➤ The tenders floated by **Bharat Sanchar Nigam Ltd** in May last year for providing 93 million lines based on global system for mobile communications technology are likely to be split among Sweden's Ericsson, China's Huawei and the Alcatel-ITI joint venture. The tenders, one each for east, west, north and south zones, comprise 74.94 million 2G lines and 18.06 million 3G lines.

➤ **Tata Consultancy Services Ltd** has announced the launch of a new development centre - TCS Awardh Park in Lucknow, Uttar Pradesh. Spread over 3 acres of land, TCS Awadh Park is the second largest IT establishment in UP after the TCS facility in Noida.

➤ **Heritage Foods (India) Ltd's** has approved for investment of Rs. 50 crores in a SPV engaged in generation of Hydro Electric Power in the state of Arunachal Pradesh over a period of 2 years by way of acquiring/purchase or otherwise the securities of the Body Corporate.

➤ **MRF Ltd.** has informed that the management has declared lock out at the manufacturing plant situated at Arkonam in Tamilnadu with effect from 3.00 pm May 17, 2009, on account of labour unrest in the factory.

➤ **Vision Corp, Reliance Big TV** in revenue-sharing pact for DTH services

PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
GOLD	930.55	0.65	1.86
SILVER	13.94	0.11	0.32
PLATINUM	1111.50	0.18	(2.48)

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
CRUDE OIL	57.20	1.53	(2.22)
NATURAL GAS	4.11	0.29	(4.46)

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
Copper	4385	(1.46)	(3.94)
Aluminum	1503	(1.18)	(2.27)
Nickel	12077	(3.00)	(6.56)
Lead	1465	(1.15)	2.73
Zinc	1490	(0.33)	(3.37)

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
Copper	353550	(1.19)	(8.21)
Aluminum	3937050	0.03	1.90
Nickel	110190	(0.01)	(1.89)
Lead	73925	0.92	1.13
Zinc	320675	(0.97)	(1.16)

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
RS/\$	47.92	3.48	3.08
\$/€	1.35	0.63	0.91
DOLLER INDEX	82.98	0.05	0.37
¥/\$	95.69	(0.75)	2.30

Today's Major Economic Events			
IST	Data	Expected	Prior
22:30	NAHB Housing Market Index	16	14

COMMODITY & CURRENCY...

- **Gold, little changed** in London today, may decline as some investors sell the metal to lock in gains from its rally to a seven-week high. Gold reached \$934.20 an ounce on May 15, gaining for a second week, as a report showed core U.S. consumer prices rose and as the MSCI World Index of shares had its first weekly decline since early March. Asian equities declined today, while European stocks and U.S. index futures were little changed.
- **Crude oil rose** on speculation that prices fell too far at the end of last week and may rebound as optimism about an economic recovery grows. Prices rose today after dropping 3.9 percent on May 15, the biggest decline in almost a month, when a report showed U.S. industrial production fell for a sixth month. Crude also climbed after Nigerian militants attacked pipelines from Chevron Corp.'s Escravos terminal to domestic refineries and power stations.
- **Copper fell** in London on speculation economies may take more time to rebound, implying demand won't recover anytime soon. recover anytime soon. Europe's economy contracted at the fastest pace in at least 13 years in the first quarter, European Union statistics showed on May 15. Also that day, Japan's Cabinet Office said machinery orders fell 1.3 percent in March.
- **Gasoline's biggest springtime rally** in more than a decade may be ending before U.S. motorists start hitting the road as vacation season begins and demand peaks. Gasoline futures will average \$1.40 a gallon during the summer, a 17 percent decline from May 15. Refiners are finishing seasonal shutdowns to increase production just as the global recession reduces oil demand by the most since 1981 and U.S. imports rise.
- **Rubber tumbled** for a third day, extending last week's decline, as outlook for car-tire demand remained weak and a strong Japanese currency reduced the appeal of yen-denominated contracts. The commodity plunged 7.9 percent last week after General Motors Corp. Chief Executive Officer Fritz Henderson said bankruptcy is now "probable." Michelin & Cie., the world's second-largest tiremaker, said May 15 that truck-tire markets won't improve before the fourth quarter.
- **Rio Tinto Group**, the world's third- largest mining company, said steel users in China may be rebuilding stockpiles on low prices and as the government's stimulus spending drives infrastructure demand. China's benchmark steel prices, down 40 percent from a year ago, have gained for four weeks on signs of demand recovery in the automobile industry.
- **The yen fell against the dollar** and the euro after Japanese Vice Finance Minister Kazuyuki Sugimoto said "excessive moves" in currencies may hurt the economy. The yen dropped the most against the Australian and New Zealand dollars as Sugimoto told reporters in Tokyo that bolstering the economy is now the government's "top priority".
- **The dollar strengthened** against the euro as stocks extended their declines around the world, spurring demand the U.S. currency as a haven. The dollar also gained versus the Swiss franc and the pound as the MSCI World Index slid for a second day and U.S. stock- index futures fell. **The euro dropped versus the dollar** after European Central Bank council member Axel Weber warned against "exaggerating" recent signals the economy is stabilizing. India's rupee climbed the most in two decades on optimism Prime Minister Manmohan Singh's election victory will help his party implement reforms.

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