

	Index Value	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUC TION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	4313.10	1.45	15.44	0.88	5.10	3.72	2.23	1.53	2.22	N.A	3.03	0.44	1.71	1.99	1.60
NIKKEI	9786.26	0.85	(96.24)	N.A	N.A	0.93	3.14	(0.42)	0.00	N.A	3.17	0.71	1.07	1.51	N.A
KOSPI	1383.34	0.55	29.33	N.A	(2.15)	1.75	1.68	0.75	N.A	(1.58)	0.66	0.91	0.48	(0.09)	(0.53)
SHANGHAI	2880.49	0.93	29.05	N.A	1.22	N.A	1.39	0.26	(0.47)	N.A	(0.47)	(0.87)	1.62	1.62	1.28
TAIWAN	6231.15	1.41	58.48	5.04	N.A	3.38	1.71	1.58	1.51	1.51	1.53	(0.47)	0.82	2.61	N.A
HANGSENG	17920.93	0.81	16.04	N.A	(0.57)	0.69	1.63	1.47	3.68	N.A	N.A	N.A	N.A	(0.21)	0.00
CAC	3240.31	1.45	11.49	N.A	1.94	N.A	0.52	0.43	0.00	N.A	0.19	(0.48)	(1.44)	(0.48)	0.25
FTSE	4347.16	1.55	29.61	4.18	0.86	(0.57)	1.66	0.58	0.55	0.73	(0.53)	2.12	1.37	0.93	0.44
DAX	4864.92	0.57	26.01	(0.83)	0.46	2.26	0.91	1.28	0.61	0.47	0.46	1.94	0.55	1.94	0.76
US	8555.60	0.69	11.30	(1.26)	0.84	0.99	2.52	0.22	(0.41)	0.31	0.31	(0.17)	1.87	2.27	0.41
AUSTRALIA	3194.20	0.20	19.66	N.A	(1.41)	(0.47)	1.28	(0.14)	(0.36)	1.53	(3.06)	1.04	2.15	N.A	(2.10)
BRAZIL	50903.02	(0.28)	20.38	N.A	N.A	N.A	N.A	N.A	0.20	N.A	N.A	N.A	N.A	N.A	(0.07)
MEXICO	24340.65	0.79	15.80	N.A	3.37	Tim	1.57	N.A	N.A	N.A	Tim	N.A	N.A	N.A	Tim

KEY HIGHLIGHTS...

Asian Stocks Rise on U.S. Economic Reports, Japan Bank Upgrade...
<i>Asian stocks rose, paring the MSCI Asia Pacific Index's biggest weekly decline since March, as better-than-estimated U.S. economic reports boosted the dollar and Goldman Sachs Group Inc. upgraded Japanese banks.</i>
U.K. Stocks Rise, Led by Rebound in Mining Shares, Homebuilders...
<i>U.K. stocks climbed, trimming the steepest weekly loss since March, as a gauge of mining shares rebounded from the longest losing streak in six months and homebuilders rallied.</i>
Emerging Markets Stocks to Rise 32% More, Garner Says...
<i>Emerging-market stocks may rise a further 32 percent in the next year as earnings decline less and recover faster than predicted, Morgan Stanley said.</i>
EU Sees 'Sustainable' Recovery Without More Stimulus...
<i>European Union leaders spotted the first signs of a "sustainable economic recovery" from the worst slump since World War II and ruled out further pump-priming measures. In a draft statement at today's summit in Brussels, the 27 EU heads of state and government said the looming end of the recession makes additional stimulus unnecessary, adding that it is time to start hatching an "exit strategy."</i>

DOMESTIC...

- The Cabinet Committee on Economic Affairs has approved the implementation of a 100MW gas-based power project at Tripura by North Eastern Electric Power Corp Ltd. The estimated cost of the project would be 4.21 bln rupees, including interest during construction of 274.7 mln rupees at December price level. The project will be funded through a debt-equity ratio of 70:30. The project is scheduled for commissioned within 30 months from the date of investment approval.
- World Bank approved two projects totaling \$135 million to help Pakistan strengthen its social safety nets and eradicate polio. The Bank noted that the increase in global food and fuel prices and Pakistan's ongoing energy crisis have raised the vulnerability of the country's poor to an unprecedented level.

SECTOR...

- Paving the way for unleashing of next generation mobile telephony, the government fixed reserve price of Rs 4,040 crore for auction of 3G spectrum, a move that would help it garner at least Rs 32,320 crore. Initially six private operators apart from MTNL and BSNL would be allowed to offer 3G services that enables high speed internet, videos and many other value-added services on mobile phone.
- India adds 11.44 mln telephone users in May vs 11.75 mln Apr.

COMPANY...

- Heavy Industries Minister said the government is considering divesting 10% equity stake in **Bharat Heavy Electricals Ltd.** Stake sale in BHEL is under consideration. The government holds 67.72% in Bharat Heavy Electricals.
- **Tata Steel** raised prices of its products by up to Rs 750/ tonne on account of improved domestic demand for the commodity and a firming global trend. The increase in rates would come into effect from June 1, adding the hike in the prices has been effected on the back of improved domestic demand from sectors including construction and automobile, and the recent uptrend in global steel prices. The company had last month hiked the rates of its long products, mainly used in the construction space, in the range of Rs 300-500 a tonne.
- **GMR Infrastructure Limited** bagged the Chennai Outer Ring Road project in Tamil Nadu from the state government for Rs 1,100 crore. GMR-led consortium emerged as the lowest bidder in an international competitive bid for the 29.65 km Chennai Outer Ring Road project in Tamil Nadu from Vandalur to Nemilicheri section on a design, build, finance, operate and transfer on annuity basis.
- **Asian Hotels Ltd** informs that the Registrar of Companies, NCT of Delhi and Haryana, has approved the extension of accounting year 2008-09 for a period of eighteen months from April 1, 2008 to September 30, 2009. Accordingly, the company will: (1) declare its un-audited financial results for the 5th quarter ended June 30, 2009, on or before July 31 and (2) instead of declaring un-audited financial results for the 6th and last quarter ended Sep 30, 2009, would declare audited financial results for the eighteen months period ended Sep 30, 2009, within the stipulated period of three months.
- **JSW Steel** may up galvanised product price by \$25 to \$725/tn in Jul.
- **Hindustan Motors** to launch mini-truck Winner nationally in 1 month.
- **Bharati Shipyards** makes open offer for 20% in **Great Offshore** at 344 rupee/shr.
- **Kavveri Telecom Products Ltd's** subsidiary Kavveri Telecom Infrastructure has signed a long term agreement for 10 years on BOT, basis with one of the major cellular operator for the in building wireless solutions on pan-India basis. This agreement will contribute to substantial revenues of Kavveri Telecom Infrastructure.
- **IRB Infrastructure Deve Ltd** has emerged as the lowest bidder for the Pathankot to Amritsar highway project. The company has sought a grant of Rs 126.90 crore from NHAI. The company had submitted its bid with the National Highways Authority of India for Design, Engineering, Finance, Construction, Operation and Maintenance of Pathankot to Amritsar. The project is on grant basis with concession period of 20 years and estimated cost of the project is Rs 1200 crores.
- **Mahindra Holidays and Resorts India** has fixed the issue price of its shares between Rs 275 and Rs 325 a piece of Rs 10 each.

PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
GOLD	934.18	(0.20)	(1.74)
SILVER	14.26	0.42	(5.88)
PLATINUM	1211.00	0.58	(3.37)

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
CRUDE OIL	72.00	0.88	(0.06)
NATURAL GAS	4.13	0.88	7.05

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
Copper	4965	(0.10)	(5.16)
Aluminum	1657	0.91	0.79
Nickel	15071	0.41	(3.95)
Lead	1680	0.30	(5.88)
Zinc	1585	1.41	(6.21)

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
Copper	280350	(0.44)	(3.42)
Aluminum	4368925	(0.07)	2.32
Nickel	108108	(0.05)	(0.77)
Lead	85800	1.69	4.47
Zinc	339100	0.35	2.77

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
RS/\$	48.12	0.26	(1.24)
\$/€	1.39	0.14	0.91
DOLLER INDEX	80.50	(0.09)	0.47
¥/\$	96.97	(1.19)	1.29

Today's Major Economic Events			
IST	Data	Expected	Prior

COMMODITY & CURRENCY...

- **Crude oil rose** for a third day on speculation that fuel demand will recover as the global economy emerges from its slump. Oil gained after the index of U.S. leading economic indicators rose for a second month and a report showed the number of Americans receiving jobless benefits dropped for the first time since January. U.S. crude inventories fell more than expected last week. Still, crude is heading for its first weekly decline in five weeks after the Energy Department reported that fuel demand continues to fall, and as a stronger dollar curbed investors' need for commodities to hedge against inflation. Petroleum products demand in the U.S., the world's largest energy user, fell 6 percent in the four weeks to June 12 from a year earlier. Crude futures may fall next week on speculation U.S. fuel stockpiles will increase as the recession and rising prices sap consumption, according to a Bloomberg News survey.
- **Gold, little changed** in London, may decline as an advance in equities reduces the metal's appeal as an alternative investment. European and Asian stocks gained as European Union leaders said the region is on course for a "sustainable" economic recovery and after better-than-estimated U.S. economic reports yesterday. The U.S. Dollar Index, a six-currency gauge of the greenback's value, was little changed today. Gold, which typically moves inversely to the U.S. currency, is down 0.6 percent this week as the dollar index has added 0.6 percent. The metal is heading for a third weekly drop, the longest declining streak since April 17. Investment in the SPDR Gold Trust, the biggest exchange-traded fund backed by bullion, has remained unchanged at 1,132.15 metric tons since June 5, the company's Web site showed. That's the longest period without a gain or retreat since November. Silver for immediate delivery in London was little changed at \$14.2050 an ounce. Platinum rose 0.7 percent to \$1,215.50 an ounce, and palladium was 0.1 percent higher at \$240.68 an ounce. Palladium held in ETF Securities Ltd.'s exchange-traded commodities rose to a record 319,451 ounces yesterday, from 309,420 ounces on June 16, according to the company's Web site. Silver holdings fell to 20.02 million ounces from 20.198 million ounces on June 16.
- **Copper, little changed** in London, headed for its first weekly drop in five on speculation that China may curb imports of the metal. Inventories of copper in Shanghai expanded to the highest since August 2007. Chinese stockpiling has contributed to a 61 percent advance in London prices this year, amid the worst global recession since World War II. China's State Reserve Bureau has probably finished stockpiling copper for now, a trader at Zhejiang Honglei Copper Co. said. LME canceled warrants in copper, reflecting metal earmarked for delivery out of warehouses, have declined for 10 consecutive days. Still, inventories in warehouses monitored by the bourse have shrunk 17 percent this year, the only drop among stockpiles of the main industrial metals traded on the exchange. Aluminum is up 6.7 percent this year on the LME after dropping 36 percent in 2008 and 14 percent in 2007.
- **The yen declined** as rising stocks spurred investors to seek returns in higher-yielding markets, reducing demand for the Japanese currency as a haven. The yen fell the most against the Australian dollar and the British pound and pared its first weekly advance against the euro in more than a month after European Union leaders said they saw the first signs of a "sustainable economic recovery" and ruled out further pump-priming measures to halt the worst slump since World War II.
- **Canada's dollar** was little changed as gains in crude oil and stocks offset pressure from a U.S. dollar that was strengthened by speculation it will be made more attractive by changes to the way the London interbank offered rate is set. Chile's peso rose to the strongest level in almost nine months as investors bet a government plan to sell \$40 million per day in the foreign-exchange market next month will spark further gains. The pound may drop to the lowest level in more than a week against the dollar if it closes below its 20-day moving average.
- **India's rupee fell** the most in more than a week as concern a global economic recovery is stalling damped demand for emerging-market assets. The currency dropped to a one-month low against the dollar on speculation overseas investors will cut their holdings of local shares. They sold more Indian equities than they bought for the first time in eight days on June 15. The rupee also weakened on speculation local refiners will step up crude oil imports in anticipation prices will climb. Offshore contracts indicate bets the rupee will trade at 48.28 per dollar in a month, compared with expectations for a rate of 47.87 yesterday.

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.**