

	Index Value	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	4394.10	(1.45)	17.95	(2.14)	(0.73)	(1.86)	(1.40)	(0.42)	(1.29)	N.A	(2.33)	(2.68)	(1.17)	(1.93)	(1.46)
NIKKEI	10204.00	(0.79)	(13.25)	0.47	(0.72)	(1.89)	(1.44)	(0.90)	(1.47)	(1.17)	(0.63)	(1.36)	0.37	(0.46)	(1.00)
KOSPI	1545.96	(0.28)	33.06	1.86	(2.04)	(0.81)	(0.94)	0.04	0.86	(2.17)	(0.61)	0.01	0.62	0.77	(0.35)
SHANGHAI	2785.58	(4.30)	30.28	N.A	(4.70)	N.A	(4.95)	(1.83)	(5.05)	N.A	(6.61)	(5.46)	(2.34)	(5.23)	(2.94)
TAIWAN	6788.58	(0.02)	90.74	(0.64)	0.00	(0.14)	(0.23)	0.16	(1.15)	0.28	(0.52)	(0.57)	0.59	2.35	0.08
HANGSENG	19954.23	(1.73)	20.92	N.A	(0.12)	(1.59)	(1.63)	(1.20)	(1.42)	(1.20)	(2.84)	(1.53)	#N/A Sec	(1.52)	(1.51)
CAC	3419.66	(0.90)	12.91	N.A	0.13	N.A	(1.27)	(0.84)	(0.58)	N.A	(1.13)	(0.46)	0.13	(0.46)	(0.20)
FTSE	4644.58	(0.88)	58.39	(0.61)	0.16	(1.08)	(2.64)	(0.05)	(0.53)	(0.54)	(1.98)	(0.30)	0.40	(2.95)	(1.19)
DAX	5182.88	(1.29)	44.16	(3.13)	(1.29)	1.17	(2.51)	(2.00)	(0.91)	(0.92)	(1.29)	0.13	0.03	0.13	(0.55)
US	9217.94	0.90	13.26	3.32	1.01	1.81	0.92	1.38	0.92	1.34	2.40	0.89	0.02	0.14	0.34
AUSTRALIA	3582.40	(0.19)	29.23	N.A	1.09	0.54	(0.62)	0.43	(0.16)	1.81	1.35	1.51	(1.45)	(0.16)	(0.02)
BRAZIL	55748.92	0.96	22.57	N.A	N.A	N.A	N.A	N.A	1.65	N.A	N.A	N.A	N.A	N.A	(0.09)
MEXICO	27544.32	0.90	16.96	N.A	4.38	N.A	2.28	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

KEY HIGHLIGHTS...

Stock-Index Futures Decline as Metals Slide...
U.S. stock-index futures fell as lower metal prices dragged down commodities producers and Hewlett-Packard Co.'s sales forecast missed analysts' estimates
Buffett Says 'Gusher' of U.S. Federal Debt Poses Risks to Economy, Dollar...
The U.S. must address the massive amounts of "monetary medicine" that have been pumped into the financial system and now pose threats to the world's largest economy and its currency. The "gusher of federal money" has rescued the financial system and the U.S. economy is now on a slow path to recovery.
Pimco Says Dollar to Fall Against Emerging Currencies on Reserve Concerns...
Pacific Investment Management Co., which runs the world's biggest bond fund, said the dollar will weaken as the U.S. pumps "massive" amounts of money into the economy. The dollar will drop the most against emerging-market counterparts.
Stocks Drop in Europe, Asia as China Tumbles...
European and Asian stocks fell and U.S. index futures retreated as lower metals dragged down commodities producers and China's Maanshan Iron & Steel Co. posted a second straight half-year loss. The Shanghai Composite Index entered a bear market.
British Bank's Consumer Units Will Report Losses in Second Half...
Britain's four biggest lenders will probably post losses at their consumer banking units in the second half as bad loans increase and competition for deposits squeezes margins. Consumer-banking profit "will fall into loss making in the second half," KPMG said Revenue from investment banking, which offset rising write-down, is unlikely to be sustained as income from selling and trading loans and bonds declines.
German July Producer Prices Drop Most in 60 Years as Energy Costs Decline...
German producer prices fell at the fastest pace in 60 years last month as energy costs declined. Prices dropped 7.8 percent from a year earlier after falling 4.6 percent in June.

DOMESTIC...

- India has attracted foreign direct investment worth \$2.58 billion in June, an eight per cent increase over the same month last year, a senior official said today.
- SBI Bhatt sees no possibility of interest rate hikes till Oct-Nov.
- Govt says India Jun foreign direct invest \$2.58 bln, up 8% on yr.
- Australia met says El Nino trend not intensified in last 15 days.

COMPANY...

- The Petroleum Ministry is believed to have told the Power Ministry that it would support NTPC Ltd in the state power firm's legal fight to get natural gas from Reliance Industries at prices the Mukesh Ambani-led firm had quoted in the 2004 tender.
- NTPC Ltd has not yet decided on filing a petition in Supreme Court on its dispute with RIL for sourcing of natural gas.
- The government is not considering further disinvestment in aluminium major Nalco and Hindustan Copper even as operations of the copper producer are set to be revamped.
- Mahindra & Mahindra has won a cyber squatting case at the World Intellectual Property Organisation against a US-based person, who was using the name 'Mahindra' in an internet domain.
- Maruti Suzuki India is expecting a double digit growth over the next few months.
- Asian Paints Ltd informs that Berger International Ltd, Singapore, a subsidiary of Asian Paints (International) Ltd, which is a 100% subsidiary of the company, has signed a Conditional Share Purchase Agreement for divestment of its entire equity shareholding in Berger International Sdn. Bhd., Malaysia.
- PSL Ltd has won contacts from GAIL India Ltd valuing over Rs 210 crores.
- Gujarat Gas Co. Ltd informs that the volume of gas supplied by GAIL to the company from the Panna-Mukta, Tapti fields have been restored to the levels of gas supplies prior to the notification of the Force Majeure event at the oil evacuation system of the Panna and Mukta fields.
- Suzlon Energy eyeing buyers for co's 83% stake in SE Forge.
- JSW sees steel price stable Sep, long product demand up Oct.
- GMR to raise 8 bln rupee debts FY11-FY13 for hydropower ops.
- Power Grid plans to up transmission capacity to 37,000 MW by 2012.
- ACC official says royalty on limestone should be on ad valorem basis
- Hindalco to up aluminium capacity to over 1.5 mln ton by end FY14.
- Dhanalakshmi Bank reduces rates on some deposits by 25-50 bps.
- Network18 Holdings Ltd and subsidiary of Network 18 Media & Investments Ltd, had acquired 14.39% shareholding in The Indian Film Company Ltd
- Sterlite Technologies Ltd has issued and allotted 64, 50,000 warrants convertible in equity shares to its promoter entity Twin star Overseas Ltd. Further, the company has issued 65,791 shares to its employees under ESOP Scheme.
- Megasoft Ltd's has approved the sale and transfer of the Blue Ally Division as a "going concern" to Trianz Inc., US, which is a wholly owned subsidiary of Trianz Holdings Pvt Ltd, India. The board has approved the price consideration of around \$13million-\$15 million.
- Axis Bank informs that its shares have been delisted from the Ahmedabad Stock Exchange with effect from August 17. The equity shares of the bank will continue to be listed on NSE and BSE.

PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
GOLD	935.02	(0.34)	(1.07)
SILVER	13.69	(3.13)	(4.20)
PLATINUM	1223.25	(0.91)	(0.89)

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
CRUDE OIL	68.89	(0.43)	(1.81)
NATURAL GAS	3.06	(1.26)	(12.13)

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
Copper	5973	(1.64)	(3.39)
Aluminum	1959	(2.29)	(1.31)
Nickel	18750	(0.27)	(4.58)
Lead	1802	(0.44)	(2.38)
Zinc	1790	(0.45)	(3.46)

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
Copper	292000	(0.26)	(0.14)
Aluminum	4624575	1.15	1.28
Nickel	109296	0.42	1.80
Lead	117150	0.39	2.49
Zinc	433700	0.07	0.28

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
RS/\$	48.80	(0.19)	(0.98)
\$/€	1.41	0.07	0.41
DOLLER INDEX	79.18	0.27	0.50
¥/\$	94.22	0.97	1.71

Today's Major Economic Events			
IST	Data	Expected	Prior
16:30	MBA Mortgage Applications	--	-3.50%
20:00	DOE U.S. Crude Oil Inventories	1200K	2519K
20:00	DOE U.S. Gasoline Inventories	-1000K	-927K
20:00	DOE U.S. Heat Oil Inventories	--	1710K
20:00	DOE Crude Oil Implied Demand	--	14342
20:00	DOE Gasoline Implied Demand	--	9106
20:00	DOE Distillate Implied Demand	--	3873

COMMODITY & CURRENCY...

- **Oil** fell as stocks in China dropped on concern tighter lending will dampen growth in the world's second largest crude consumer. China's stocks dropped, briefly driving the benchmark Index into a so-called bear market. European equity markets opened lower and U.S. stock futures fell. A U.S. government report today may show that crude inventories rose for a fourth week. Oil is moving on sentiment at the moment, there's a strong correlation with stocks. Crude oil for September delivery declined as much as 65 cents, or 0.9 percent, to \$68.54 a barrel in electronic trading on the New York Stock Exchange. The contract traded at \$68.84 at 9:50 a.m. London time. Earlier, it rose as much as 1.9 percent. Members of the Organization of Petroleum Exporting Countries should agree to maintain oil production targets when it meets next month to decide quotas. Brent crude oil for October settlement fell 87 cents, or 1.2 percent, to \$71.50 a barrel on London's ICE Futures Europe exchange as of 9:37 a.m. local time. U.S. crude-oil inventories probably rose for a fourth week as refinery operations trailed year-earlier levels, a Bloomberg News survey showed.
- **Gold** demand fell to a six-year low in the second quarter as recession curbed buying by jewelers and electronics producers. Central banks were net buyers for the first time since at least 2000. Global consumption fell 8.6 percent to 719.5 metric tons from a year earlier, the London-based industry group said in a report today. That's the lowest level since the first quarter of 2003. Jewelry demand declined 22 percent and electronics, the biggest industrial use for gold, slid 26 percent. The World Bank said in June the global recession will be deeper than it expected three months earlier. Investors bought 222.4 tons of gold in the quarter, 46 percent more than a year earlier, as an alternative to stocks and bonds. Tough economic conditions have impacted jewelry and industrial demand. Investment demand provided a cushion and we do expect that to continue. In India, the largest buyer, gold demand fell 38 percent to 109 tons, while it rose 11 percent in China, the second-biggest buyer, to 89.6 tons, the World Gold Council said
- **Copper** in Shanghai slumped to the lowest in more than two weeks amid signs recent gains aren't justified by demand and supply prospects. The metal also tracked declines in crude oil and grains as a slump in Chinese stocks raised concern that the global economy may not recovery anytime soon. China's benchmark index fell to a two-month low, entering a so-called bear market. The premium for immediate-delivery copper over futures has almost disappeared in Shanghai, from a few thousand yuan earlier in the year, after supplies swelled and outpaced demand. Copper, a barometer of economic growth, is used in homes, automobiles and power grids. Copper inventories in Shanghai jumped to the highest in two years last week. A global economic recovery is still the main theme. Among other LME-traded metals, aluminum fell 1.8 percent to \$1,970 a ton, zinc slid 1.1 percent to \$1,776 a ton. Lead fell 1.6 percent to \$1,781 a ton, nickel retreated 1.6 percent to \$18,500 a ton and tin lost 3.9 percent to \$13,305 a ton.
- **The yen** rose against the dollar and euro as renewed concerns about the strength of the economic recovery spurred demand for Japan's currency as a refuge. The yen gained against all 16 major counterparts after Chinese shares led equities in the region lower and the Daily Telegraph cited Germany's economic state secretary as saying the nation is preparing countermeasures for a new credit crunch early next year. Risk aversion, shown in a drop in Asian stocks, is causing the yen to be bought as a refuge. Signs China's economy is faltering are weighing down on the global economic outlook. The yen rose to 132.81 per euro as of 7:54 a.m. in London from 133.84 yesterday in New York. Japan's currency advanced to 94.20 per dollar from 94.69 after earlier gaining to 94.14, the highest level since July 29. The dollar traded at \$1.4096 per euro from \$1.4136.
- **The Australian and New Zealand dollars** fell against the yen as Chinese stocks slid for the second day this week, damping demand for higher-yielding assets. The Australian dollar weakened versus the U.S. currency, after earlier climbing above 83 U.S. cents. Asian stocks erased gains after the Shanghai Composite Index and Japan's Nikkei 225 Stock Average dropped. Society General SA recommended investors sell the so-called Aussie against Japan's currency on rallies toward 80 yen, citing potential for a "risk unwind." Currency markets will be watching the Shanghai share market which has been a pretty big influence on the Aussie recently. It wouldn't surprise me if the Shanghai Composite continues to fall and we see further weakness in the Aussie. The Australian dollar will find buyers on a decline toward 81.50 cents. Australia's currency fell 0.5 percent to 77.89 yen as of 3:47 p.m. in Sydney from 78.28 yen in New York yesterday. The Aussie dollar slipped 0.2 percent to 82.48 U.S. cents from 82.68 cents yesterday. New Zealand's dollar fell 0.5 percent to 63.56 yen from 63.89 and bought 67.32 U.S. cents.
- **The euro** rose from near a one-week low against the pound on speculation a European report this week will show manufacturing and service industries contracted at a slower pace, adding to signs the recession in the 16-nation region is abating. Europe's single currency gained versus 11 of its 16 major counterparts. The Dollar Index fell for a second day after Pacific Investment Management Co., which runs the world's biggest bond fund, said the dollar will weaken as the U.S. pumps "massive" amounts of money into the economy. There is a growing recognition that the economies around the world, including those in the euro-zone, are bottoming out. The euro gained 0.1 percent to 85.49 British pence at 2:01 p.m. in Tokyo from 85.37 yesterday in New York, when it reached 85.24 pence, the lowest since Aug. 10. Europe's currency was at \$1.4151 from \$1.4136

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.**