

	Index Value	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	4226.35	(0.29)	15.24	0.82	0.07	4.31	0.19	2.69	(0.53)	N.A	1.72	0.35	2.81	(0.13)	(1.10)
NIKKEI	9347.00	1.31	(93.16)	N.A	N.A	4.09	1.07	1.68	0.65	N.A	(0.51)	0.09	1.54	(0.40)	N.A
KOSPI	1400.90	(0.20)	28.09	N.A	(0.23)	(0.21)	(1.46)	(0.26)	N.A	(0.44)	(0.52)	(0.31)	(1.33)	(0.50)	0.51
SHANGHAI	2610.01	0.48	26.22	N.A	0.16	N.A	0.78	(0.73)	1.51	N.A	0.40	0.76	1.30	(0.26)	(0.78)
TAIWAN	6734.46	(0.04)	63.67	0.16	N.A	4.47	1.28	3.20	5.05	2.08	0.44	0.42	(1.60)	0.15	N.A
HANGSENG	17121.82	0.35	15.39	N.A	3.82	4.21	0.27	1.65	3.58	N.A	N.A	N.A	N.A	0.42	(1.61)
CAC	3199.84	(0.87)	11.33	N.A	(1.09)	N.A	(0.05)	0.23	0.35	N.A	0.34	0.53	0.85	0.53	0.45
FTSE	4365.29	0.46	27.97	0.20	0.80	(0.25)	(0.02)	0.11	0.11	1.21	4.71	0.75	(1.03)	0.58	(0.30)
DAX	4859.33	(1.21)	25.11	(1.50)	(1.02)	(1.34)	(1.84)	(0.14)	(0.13)	(0.56)	(1.02)	(1.09)	(0.13)	(1.09)	(0.72)
US	8277.32	(0.18)	20.46	(2.41)	(0.15)	(2.10)	(2.19)	0.65	(0.28)	0.28	0.09	0.22	(0.01)	0.68	(0.52)
AUSTRALIA	3062.20	(0.76)	18.72	N.A	0.98	(1.41)	(2.47)	(0.82)	3.00	1.51	1.51	1.03	(0.92)	N.A	(0.40)
BRAZIL	50568.49	0.96	21.17	N.A	N.A	N.A	N.A	N.A	1.41	N.A	N.A	N.A	N.A	N.A	(0.27)
MEXICO	24093.24	1.14	15.70	N.A	1.19	Tim	1.33	N.A	N.A	N.A	Tim	N.A	N.A	N.A	Tim

KEY HIGHLIGHTS...

European Stocks Decline for Third Day; Porsche, Renault Drop...

European stocks fell for a third day as North Korea tested a nuclear weapon and German business confidence rose less than expected. South Korea's stocks and won dropped and the yen weakened against the dollar and the euro.

Shirakawa Sees 'Mild Recovery' in Japanese Economy...

Bank of Japan Governor Masaaki Shirakawa said the economy is likely to experience a "mild recovery" as exports and production improve, though the outlook remains fraught with "considerable uncertainties." He said The sharp decline in economic and financial conditions in Japan and abroad since last autumn is starting to level out, and there is a prospect of a mild recovery ahead.

German business confidence rose for a second month...

German business confidence rose for a second month in May as interest-rate cuts and government stimulus packages boosted expectations that the worst recession since World War II will ease later in the year. The Ifo institute in Munich said its business climate index, based on a survey of 7,000 executives, increased to 84.2 from 83.7 in April. Economists expected a gain to 85, the median of 39 forecasts in a Bloomberg News survey showed. The index reached a 26-year low of 82.2 in March. Chancellor Angela Merkel's coalition is trying to pull Germany out of recession with a spending plan worth about 82 billion euros (\$115 billion.).

DOMESTIC...

➤ Gujarat plans to introduce legislation to simplify agricultural land acquisition norms for industrial, commercial and housing projects. The legislation will look to abolish the current system of seeking permission to convert agricultural land into non-agricultural land.

SECTOR

➤ The government may ask oil producers to share the revenue losses of the state-run refiners if crude prices go above \$75 a barrel.

COMPANY...

➤ **Punjab National Bank** has informed that PNB Investment Services Ltd., the bank's subsidiary, has been incorporated.

➤ **Amtek India Ltd's** has approved a preferential issue of up to 1,21,10,000 warrants, convertible into equivalent number of fully paid equity shares, to promoter group companies.

➤ **Avantel Ltd** which has offered to buy back a minimum 4,20,000 equity shares from the open market, has rescheduled the commencement date to May 27.

➤ **Hindustan Dorr-Oliver Ltd** has bagged an order from NALCO valued at Rs.24.5 crores for their Phase II expansion project at Alumina Refinery, Damanjodi, Orissa. This civil and structural contract involves PCC & RCC works for sub structure/super structure in substation/control station including structural steel fabrication and erection work for tankages, piperack, lifts, and cable trays etc. of this project. Execution of the said project shall be completed with a period of six months.

➤ **Parsvnath Developers Ltd** has decided to raise funds by various means including through issuance of further securities to persons other than the existing equity shareholders and also by way of Qualified Institutional Placement to Qualified Institutional Buyers for an aggregate sum of Rs 2500 crore.

➤ **Micro Retail Ltd** a subsidiary of Micro Technologies Ltd, has signed a MoU with Lucas-Car Plus, engaged in retailing vehicle accessories through its chain of retail showrooms. Micro Tech would sell licenses to Micro VBB to Car Plus, Car Plus has identified to integrate Micro Vehicle Security Product with its existing portfolio.

➤ **Era Infra Engineering Ltd** has secured a contract from Central Public Works Department (CPWD) valued at Rs.81,04,41,322 for development of Minto Road Area.

➤ **Bharti Airtel** has struck a deal with South African telecom giant MTN. Bharti is looking to acquire 49 per cent in MTN, and in turn, MTN and its shareholders would acquire around 36 per cent economic interest in Bharti. The two have agreed to discuss the potential transaction exclusively with each other by July 31.

➤ **Bharat Heavy Electricals Ltd** has secured an order for the main plant package at the upcoming Bela Thermal Power Project in Maharashtra, involving one new-rating unit of 270 MW. Valued at Rs 703 Crore, the order for the Greenfield power project, located at Bela in Nagpur district, has been placed on BHEL by Ideal Energy Projects Ltd reflecting the customer's confidence in the company's technological excellence and project execution capabilities.

➤ **Karuturi Global** is planning to raise Rs 300 crore through the preferential issue of approximately 24.15 crore warrants to the promoters and their Group and to certain strategic investors. The Bangalore-based company which is among the top flower exporters and retailers in India, has a topline of Rs 440 crore and a net profit of Rs 124 crore for the fiscal ended March 2009.

PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
GOLD	954.13	(0.15)	2.62
SILVER	14.64	(0.03)	5.25
PLATINUM	1149.75	(0.28)	3.63

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
CRUDE OIL	60.97	(1.14)	2.51
NATURAL GAS	3.52	0.11	(14.98)

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
Copper	4610	3.13	3.60
Aluminum	1442	(0.55)	(5.26)
Nickel	12790	5.48	2.73
Lead	1439	3.45	(2.90)
Zinc	1517	5.13	1.47

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
Copper	333375	(0.80)	(6.83)
Aluminum	4191975	0.37	6.50
Nickel	109776	0.07	(0.39)
Lead	74525	0.34	1.74
Zinc	317750	(0.09)	(1.88)

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
RS/\$	47.41	(0.66)	1.12
\$/€	1.40	0.00	(3.69)
DOLLER INDEX	80.25	0.27	(3.12)
¥/\$	95.06	(1.13)	0.69

Today's Major Economic Events			
IST	Data	Expected	Prior

COMMODITY & CURRENCY...

- **Gold traded little changed near** the highest in more than two months as a weakening dollar spurred interest in the precious metal as a haven investment. Holdings in the SPDR Gold Trust, the biggest exchange-traded fund backed by bullion, rose for the first time since May 13. Assets stood at 1,118.76 metric tons on May 22. The Dollar Index, which measures the greenback against six major trading partners, was little changed after falling to the lowest this year on May 22. With a global recovery unlikely to be smooth, the two main risks to most asset values are inflation and the U.S. dollar -- both of which are decisively gold-positive. Gold for immediate delivery was at \$955.70 at 2:23 p.m. in Singapore. The metal advanced to \$961.33 May 22, the highest since March 20. Gold for June delivery in New York was down 0.3 percent at \$956.10. **The U.S. is closed for a holiday today.**
- **Copper futures rose in Shanghai** after London prices gained as a weaker dollar boosted the appeal of alternative investments. London Metal Exchange copper jumped 3.1 percent to \$4,610 a metric ton on May 22, bringing this year's gain to 50 percent. The Dollar Index, a measure of the greenback against six major currencies, was up 0.2 percent at 80.07 at 2:48 p.m. in Shanghai, after plunging 3.7 percent last week on speculation that the U.S. government's creditworthiness may be weakening. The dollar is the direct influence on copper prices, so supply-and-demand prospects can hardly be the basis for trading in the short term. August-delivery copper on the Shanghai Futures Exchange rose as much as 1.4 percent to 36,910 yuan (\$5,409) a ton before closing at 36,780 yuan. The London exchange is closed today for Spring Bank Holiday.
- **Crude oil was little changed as OPEC ministers prepare to review production levels** and the dollar traded near a four-month low against the euro. Saudi Arabia, the largest producer in the Organization of Petroleum Exporting Countries, is "absolutely fine" with adherence to the group's production cuts. There is a 50 percent chance the group will cut production when it meets May 28. Crude oil for July delivery traded at \$61.78 a barrel, up 11 cents, in after-hours electronic trading on the New York Mercantile Exchange at 8:05 a.m. in Sydney. Floor trading is shut for the Memorial Day holiday in the U.S. today. The contract rose 1 percent to \$61.67 a barrel on May 22, taking its gain for the week to 8.2 percent. Prices rose last week as the dollar fell 3.7 percent against the euro on the risk of a U.S. credit rating cut.
- **The yen fell from the near highest level in more than two months** against the dollar after North Korea conducted its first nuclear test in three years and may have also launched a short-range missile, posing a threat to the region's security. The euro slipped versus the dollar and pared its gain against the pound after a report showed German business confidence in May rose less than economists forecast. New Zealand's dollar declined versus the greenback on concern export revenue will drop after the U.S. increased subsidies for its dairy products. The missile test may have been conducted to escalate geopolitical risk. Japan also is geographically close to North Korea so this doesn't augur well.
- **Canada's dollar posted the biggest weekly gain since October** as crude oil climbed and investors bought the currencies most likely to benefit from a rebound in global economic growth, shunning the U.S. greenback. The Canadian dollar rose 5.2 percent as currencies of countries that produce raw materials surged. The ICE's U.S. Dollar Index dropped to the lowest in five months on speculation the creditworthiness of the world's largest economy is deteriorating. Crude rose above \$62 a barrel. The Canadian dollar's had a nice move. This breakout has moved some people off the sidelines. Crude has had a lot to do with it. He predicted the currency may strengthen to C\$1.0825.
- **South Korea's stocks and won fell after North Korea** said it had successfully tested a nuclear weapon and Yonhap News reported that the communist nation also launched a short-range missile. The Kospi stock index tumbled as much as 6.3 percent, before paring its losses to close down 0.2 percent. The North's official Korean Central News Agency said the successful underground test would bolster its nuclear deterrent for self defense. The won also rebounded to close 0.1 percent weaker as South Korea said it would discuss any response with the U.S., which may include sanctions. The second such test by the North in three years may intensify tension on the peninsula and is the latest blow to efforts to persuade Kim Jong Il's regime to abandon nuclear weapons development in exchange for economic aid.

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