

	Index Value	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	Financial	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	4336.85	1.42	15.60	0.81	2.00	1.66	1.31	(0.24)	(0.74)	N.A	2.88	0.86	(0.97)	1.39	0.05
NIKKEI	9451.39	0.13	(94.20)	N.A	N.A	(0.07)	(0.57)	(2.22)	(0.71)	N.A	2.18	0.08	(0.89)	(0.29)	N.A
KOSPI	1392.17	2.21	27.98	N.A	1.33	1.84	1.96	0.56	N.A	3.10	2.17	0.36	(0.28)	4.02	1.54
SHANGHAI	2632.93	1.71	26.72	N.A	0.76	N.A	2.61	0.65	(0.81)	N.A	1.41	1.06	0.74	(0.59)	0.17
TAIWAN	6890.44	3.10	64.56	3.81	N.A	4.75	5.36	2.63	2.57	4.73	2.01	(0.63)	1.06	3.16	N.A
HANGSENG	17885.27	5.26	16.08	N.A	1.69	4.69	5.19	2.06	4.27	N.A	N.A	N.A	N.A	1.27	4.84
CAC	3268.17	(0.81)	11.57	N.A	(0.23)	N.A	(1.78)	(1.19)	(1.43)	N.A	(1.96)	(0.97)	0.63	(0.97)	(1.05)
FTSE	4372.70	(0.99)	28.36	0.00	(0.53)	(1.95)	(2.44)	(1.78)	0.07	(0.54)	(0.02)	(0.08)	(0.20)	(0.81)	(0.76)
DAX	4955.95	(0.90)	25.66	(1.54)	(1.87)	(2.01)	(2.18)	(1.06)	(0.23)	(0.66)	(1.87)	(0.23)	(0.30)	(0.23)	0.00
US	8300.02	(2.05)	20.52	(3.19)	(1.90)	(3.88)	(5.25)	(1.41)	(1.01)	(3.54)	(1.29)	(1.34)	(1.37)	(1.98)	(1.81)
AUSTRALIA	3074.80	(1.24)	18.83	N.A	(0.65)	3.28	(1.78)	1.02	(1.03)	(2.54)	1.23	0.78	(1.97)	N.A	(2.62)
BRAZIL	51791.61	(0.09)	21.68	N.A	N.A	N.A	N.A	N.A	0.23	N.A	N.A	N.A	N.A	N.A	1.15
MEXICO	24507.81	(0.54)	15.94	N.A	(1.19)	Tim	1.13	N.A	N.A	N.A	Tim	N.A	N.A	N.A	Tim

**KEY HIGHLIGHTS...**

*European and Asian shares slid but US Future rises...*

*European and Asian shares slid as a surge in U.S. bond yields sparked concern that higher borrowing costs will snuff out an economic recovery. Stock fall led by banks and health-care companies, as government bond yields at the highest level in almost six months sparked concern companies face higher costs to finance their businesses but U.S. stock-index futures advanced before reports that may show improvements in durable goods orders and sales of new homes last month.*

*U.S. Goods Orders, New Home Sales Probably Increased...*

*Orders for durable goods and sales of new houses probably improved in the U.S. last month as the worst recession in at least 50 years moderated, economists said. Bookings for goods meant to last several years increased 0.5 percent in April, the second gain in three months. Purchases of new homes probably rose 1.1 percent to a 360,000 pace, a separate survey showed. A lessening of the declines in housing and manufacturing, the parts of the economy that precipitated and deepened the economic slump, will contribute to stabilization and eventual recovery. Even so, economists project an expansion will be subdued as banks remain hesitant to lend and unemployment rises.*

*Geithner Says Economy Stabilizing, at 'Beginning' of Recovery...*

*Treasury Secretary Timothy Geithner said he sees indications that the U.S. economy is in the early stages of rebounding from a recession. The national economy is showing some initial signs of stability, confidence is improved, the financial system is starting to heal, credit is starting to ease a bit," he said in Roxbury, Massachusetts. It's just the beginning, however. We have a lot more work to do to lay the foundation for a sustainable recovery with the gains broadly shared among all Americans.*

**DOMESTIC...**

➤ India's headline inflation rate remained unchanged on week at 0.61% in the week ended May 16. The inflation rate was 8.66% in the year ago period. The headline inflation rate remained unchanged despite a 0.1% increase in the overall index.

➤ Manmohan Singh government may not pursue an aggressive divestment policy to begin with, as such a move may dilute the UPA's bargaining power with its allies on other key reforms.

➤ Moody's says clear fiscal prudence plan may boost India rating view.

**COMPANY...**

➤ **Mahindra & Mahindra Ltd** has posted a standalone net profit of Rs. 418.07 crore for the quarter ended March 31, 2009, up nearly 90% from Rs. 221.10 crore reported for the same quarter of 2008. Net sales stood at Rs. 3619.18 crore against Rs. 3148.16 crore for the quarter ended March 31, 2008. The company has declared a dividend of Rs. 10 per share.

➤ **Patni Computer Systems Ltd** has opened a new EMEA headquarters, based at Heathrow in London, to drive growth for outsourced IT and BPO services.

➤ **Larsen & Toubro Ltd** has posted a net profit of Rs. 998.52 lakhs for the quarter ended March 31, 2009, up from Rs. 966.76 crore reported in the same quarter of 2008. Net sales stood at Rs 10468.98 crore against Rs. 8466.87 crore for the quarter ended March 2008. The board has recommended a dividend of Rs. 10.50 per share.

➤ **Steel Authority of India** reported a Jan-Mar net profit of 14.86 bln rupees, more than double analysts' estimate of 7.2 bln rupees. The numbers are much above estimates. As of now, it seems they have been able to control costs, employee costs have come down sharply.

➤ **Zuari Industries Ltd.** has entered into a Gas Transmission Agreement with **GAIL (India)** for transportation of gas to company's plant at Zuarinagar, Goa for use as fuel / feed stock.

➤ **Coromandel Fertilisers Ltd** has signed a joint venture agreement with Soquimich European Holdings BV, Netherlands, a subsidiary of SQM, Chile, for setting up of 15000 MT Water Soluble Fertilisers plant at Kakinada at a total investment of Rs 100 Million, with both the parties holding equal share in the proposed venture.

➤ **Bharat Heavy Electricals Ltd** is planning several joint ventures to meet demand from nuclear power industry and the railways. They are talking with GE-Hitachi, Vesting House-Toshiba and Rosatom to make portions for nuclear reactors. They are talking to a European company to bring down their stake in their joint venture with Nuclear Power Corp. The company is planning different joint ventures in the nuclear power segment to be able to make reactors of various sizes.

➤ **Jaiprakash Associates Ltd** upcoming residential project--Jaypee Greens AMAN--on the Noida-Greater Noida Expressway was fully booked on the first day of booking.

➤ **GMR Infrastructure** has won a 20-bln-rupee Hyderabad-Vijayawada highway order. The highway development project is on a built-own-transfer basis and the company will have rights to collect toll for 25 years. The project is positive, but it clearly depends upon the financial closure for the project as it will give more clarity and guidance on the project. The new government will encourage infrastructure investments, which will benefit the company and the sector.

➤ **Indiabulls Real Estate** will be included in the MSCI Global Standard Indices from Monday. FIIs are very interested in the counter.

➤ **Dish TV India Ltd** approved raising of long term funds by way of issuance of FCCB for an amount not exceeding USD 200 million subject to applicable laws and necessary statutory and regulatory approvals / filings.

➤ **JSW Steel** to raise up to \$1 bln from overseas market.

➤ **Bharti Retail** launches its first Easyday store in Delhi.

➤ **Flawless Diamond India Ltd** has agreed about the transferring of Company's retails business into a separate own subsidiary Company. That this is the better way to de-merge Company's retail business of Designer Jewellery into a Company's fully owned subsidiary Company.

PRECIOUS METALS (SPOT PRICES)			
Name	Last Trade	% CHG 1D	% CHG 5D
<b>GOLD</b>	949.30	0.02	0.91
<b>SILVER</b>	14.82	2.14	3.84
<b>PLATINUM</b>	1127.50	(1.07)	(1.91)

ENERGY			
Name	Last Trade	% CHG 1D	% CHG 5D
<b>CRUDE OIL</b>	63.41	(0.06)	2.21
<b>NATURAL GAS</b>	3.64	0.16	(10.73)

BASE METALS			
Name	Last Trade	% CHG 1D	% CHG 5D
<b>Copper</b>	4615	(1.07)	(0.54)
<b>Aluminum</b>	1409	0.28	(5.63)
<b>Nickel</b>	13290	(0.78)	4.89
<b>Lead</b>	1438	(0.48)	(1.71)
<b>Zinc</b>	1452	(0.55)	(4.35)

LME INVENTORY (metric tonnes)			
Name	Inventory	% CHG 1D	% CHG 5D
<b>Copper</b>	317125	(0.67)	(7.13)
<b>Aluminum</b>	4228525	0.39	2.10
<b>Nickel</b>	109860	1.12	0.17
<b>Lead</b>	76075	0.43	2.32
<b>Zinc</b>	324025	0.19	1.78

CURRENCY			
Name	Last Trade	% CHG 1D	% CHG 5D
<b>RS/\$</b>	47.67	(0.08)	(0.71)
<b>\$/€</b>	1.39	0.55	(0.64)
<b>DOLLER INDEX</b>	80.86	0.11	(0.16)
<b>¥/\$</b>	96.85	(1.69)	(1.91)

Today's Major Economic Events			
IST	Data	Expected	Prior
18:00	Durable Goods Orders	0.50%	-0.80%
18:00	Durables Ex Transportation	-0.30%	-0.60%
18:00	Initial Jobless Claims	628K	631K
18:00	Continuing Claims	6745K	6662K
19:30	New Home Sales	360K	356K
19:30	New Home Sales MoM	1.10%	-0.60%
19:30	Mortgage Delinquencies	--	7.88%

**COMMODITY & CURRENCY...**

- **Gold, little changed in London** may rise as a weaker dollar increases the metal's appeal as an alternative investment. The dollar declined for the first time in three days against the euro, falling as much as 0.4 percent. Bullion, which has slipped the past two days, typically moves inversely to the U.S. currency. European and Asian equities fell today on concern higher borrowing costs will snuff out an economic recovery. Some investors buy gold as a store of value. Gold might move a bit higher today," Walter de Wet, a London-based analyst at Standard Bank Ltd., said by phone today. "It's dollar driven. If we see the dollar weaken a bit," gold will rise, he said. Bullion for immediate delivery rose 8 cents to \$949.97 an ounce by 9:43 a.m. local time.
- **Oil traded little changed before an OPEC decision** on whether to change production quotas and a U.S. government report on oil inventories later today. Saudi Arabia's oil minister Ali al-Naimi said yesterday that OPEC doesn't need to cut output as demand is starting to recover. The Energy Department will release its data at 10:30 a.m. in Washington. Yesterday, the industry-funded American Petroleum Institute said oil supplies fell 2.82 million barrels to 364.7 million in the week ended May 22. Prices are holding not far from recent highs on reports that crude stocks fell in the U.S. and as OPEC is expected to seek better compliance to quotas.
- **Copper fell in New York for the first time since May 21** as a stronger dollar curbed demand for the metal used in pipes and wires. The U.S. Dollar Index rose as much as 0.6 percent, reducing the appeal of commodities as a hedge against inflation. Copper tumbled 54 percent in 2008 as the dollar gauge rose 6 percent. There's a lot more chatter about the dollar right now and it's definitely becoming something more people are paying attention to. It's keeping a damper on prices. Copper futures for July delivery dropped 2 cents, or 0.9 percent, to \$2.121 a pound on the New York Mercantile Exchange's Comex division. The metal fell as much as 2.1 percent earlier. Copper pared its losses after an industry report showed sales of previously occupied homes in U.S. rose last month, spurred by lower prices and foreclosure auctions.
- **The yen fell the most in eight weeks against the dollar** and declined versus the euro on speculation Japanese investors will buy more overseas assets on signs the global recession is easing. The yen weakened versus all 16 of the most-traded currencies after Japan's Ministry of Finance said the nation's investors boosted purchases of foreign bonds to the most in a month. Australia's dollar rose toward a seven-month high against the U.S. currency on optimism the world economy is recovering, reviving demand for higher-yielding securities. New Zealand's dollar gained after Standard & Poor's raised its outlook on the country's debt rating. Signs that the worldwide slump is waning are making Japanese investors more comfortable in putting money into higher-yielding assets," said Tsutomu Soma, a bond and foreign-exchange dealer at Okasan Securities Co. in Tokyo. S&P's upgrade of New Zealand's credit-rating outlook is likely to whet their appetite.
- **The pound dropped against the euro**, snapping a two-day gain, after Bank of England policy maker David Blanch flower said he doubted whether the U.K. economy would grow this year or next. The pound slid from near the highest level in almost seven months versus the dollar as the FTSE 100 Index tumbled 1.3 percent on renewed concern the worst of the global recession isn't yet over. There can be many false dawns and we shouldn't just assume everything is over," Blanch flower was cited as saying by the London-based Times newspaper. Blanch flower's comments pour cold water on the risk rebound we've seen.
- **Malaysia's ringgit and the Philippine peso fell**, leading losses in Asian currencies, after the two nations reported worse-than-estimated economic performances. South Korea's won gained. Most currencies in Asian markets open for trading weakened against the dollar and the MSCI Asia Pacific Index of stocks dropped the most in two weeks on concern higher borrowing costs will derail a recovery in the U.S., the world's biggest economy. The Philippine central bank today cut its benchmark interest rate for a fifth consecutive meeting after growth cooled to the slowest pace in a decade last quarter. We're seeing some bouts of risk aversion on concern that there could be a delay in the U.S. recovery.

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