

FII F&O STATS	BUY	SELL	NET
INDEX FUTURE	1,669.99	2,088.33	(418.34)
INDEX OPTION	3,747.17	4,075.53	(328.36)
STOCK FUTURE	1,285.97	1,046.72	239.25
STOCK OPTION	114.10	3.28	110.82
FII & MF (Rs. Cr.)	BUY	SELL	NET
FII	2,475.64	2,930.65	(455.01)
DII	1,047.24	1,005.31	41.93
MONEY MARKET	LAST	%CH-1D	%CH-5D
INCALL RATE	2.90	(7.94)	(10.77)
G SEC 91 DAYS	4.03	6.61	4.68
G SEC 360 DAYS	4.80	1.48	1.05
CURRENCY	LAST	%CH-1D	%CH-5D
RS/\$	45.92	(0.73)	(0.94)
YEN/\$	90.41	(0.43)	1.02
\$/EURO	1.40	0.16	(0.70)
\$/POUND	1.60	0.41	(1.34)
CS/\$	1.06	(0.02)	(0.58)
\$/A\$	0.89	0.51	(1.43)
DXY Index	79.03	0.06	0.44
PRECIOUS METALS	LAST	%CH-1D	%CH-5D
GOLD SPOT \$/OZ	1113.65	(0.03)	1.75
SILVER SPOT \$/OZ	16.69	(0.22)	0.08
3 Month Future	LAST	%CH-1D	%CH-5D
LME ALUMINUM (\$)	2100.00	1.08	(5.28)
LME COPPER (\$)	6875.00	2.70	(6.22)
LME ZINC (\$)	2164.00	2.97	(7.00)
LME NICKEL (\$)	18150.00	0.00	(0.82)
ENERGY	LAST	%CH-1D	%CH-5D
Generic 1st 'CL' Future	76.90	(0.43)	4.38
Generic 1st 'QW' Future	734.50	0.12	(1.32)
Generic 1st 'NG' Future	5.38	(1.28)	3.08
FREIGHT INDEX	LAST	%CH-1D	%CH-5D
BALTIC DRY INDEX	2,691.00	(1.97)	(16.04)
BALTIC DIRTY TANKER	1,037.00	(0.96)	(6.66)

### Yesterday's Major Economic Events

Country	Data	Actual	Prior
US	Pending Home Sales MoM	1.00%	-16.00%
US	Pending Home Sales YoY	10.50%	19.30%

### Key Highlights...

#### Stocks, Commodities Rise on Economic Expansion; Real Gains as Dollar Drops...

Stocks and commodity prices rose, led by rallies in oil and aluminum, while the dollar weakened and the Brazilian real increased on optimism that an expanding global economy will increase demand for raw materials.

#### U.K. Consumer Confidence Climbed in January as Economy Emerged from Slump...

U.K. consumer confidence rose in January as the economy emerged from its worst recession on record, Nationwide Building Society said. The index of sentiment increased 3 points from the previous month to 73.

#### Asian Stocks Advance for Second Day on U.S. Home Sales, Commodity Prices...

Asian stocks advanced, lifting the MSCI Asia Pacific Index for a second day, after U.S. pending home sales increased and commodity prices gained.

### Domestic...

- Citigroup Mauritius Strategic Holdings is selling its 5% stake in Multi Commodity Exchange of India to Ashmore Group Plc for \$40 mln.
- Government plans to ease foreign direct investment norms for bourses by hiking the investment limit from the current 5%.

### Sector...

- India's electricity generation grew 5.5% on year to 64.85 bln kWh in January.
- Employee unions ask government to appoint a management team comprising non-government professionals to run **Bharat Sanchar Nigam Ltd.** BSNL mulls buying global system for mobile communications equipment from its existing vendors. **BSNL** and **MTNL** to be ready for mobile number portability by the new deadline of Mar 31.
- India is unlikely to achieve the desired target of annual steel production capacity of 124 million tonnes by 2011-12 due to slow progress in big expansion projects of different companies.
- India will soon sign a Memorandum of Understanding with Britain to improve and modernise its road transportation sector.
- Civil aviation ministry has prepared a blueprint to convert Delhi Airport into an international hub for passenger airlines from August.
- Rupert Murdoch's Star India is looking to raise its stake in Tata Sky through acquisition of 49% in Tata Group's TS Investments, which, in turn, will buy 20% in Tata Sky for 3.24 bln rupees.
- Government may remove customs duty on HIV and cancer drugs.
- With improving business sentiment and revival in IT spends, hiring seems to be back in full swing at software firms like **Infosys** and **Tata Consultancy Services**.

### Corporate...

- **Essar Steel** has lined up close to 80 bln rupees in refinance from a clutch of Indian banks, to cut its own debt, and that of four other steel companies in the group.
- **IDBI Bank** may raise around \$300 mln via medium-term notes in March.
- **ITC** to open 10 Fortune brand hotels in next 10 months.
- **Reliance Communications** has found few takers for its global assets including its prized undersea cable FLAG, despite having put it up for sale for over a month now.
- **SKF India** gets order from Indian Railways to supply seals for refurbishment of tapered bearing units for freight cars.
- **Steel Authority Of India** hikes flat product prices by 500 rupees per tn.
- **Transport Corp of India** plans to set up at least three warehousing units through special purpose vehicles.
- **Wipro Ltd** in advanced talks to acquire Nigerian skincare company Tura.
- **Aksh Optifibre** expects its Internet Protocol Television business to break even at the operating level by Mar 2011; plans capital expenditure plan of 1.50 bln rupees till Mar 2013.
- **Tata Capital**, the financial services arm of the Tata Group, expects to close fund-raising for its \$350-400 million private equity corpus within the next six-months.
- **Great Offshore** has deferred its plan to raise funds through the issue of securities. On January 30, the company had said that its board will meet to consider raising of funds by way of further issue of securities.
- **NTPC's** FPO to raise about Rs 8,500 crore opens today and will be closed on Friday. The EGoM in its meeting on February 1, has decided the floor price of the FPO at Rs 201 per equity share. NTPC's follow-on public offer is likely to receive bids at around 10 per cent premium to the floor price of Rs 201 per share.
- Contractual disputes with Korean vendor Doosan for the 1,320 Mw Sipat project may derail state-run **NTPC's** target of adding 3,300 Mw power generation capacity in the current fiscal. The company is unlikely to commission the 1,320 Mw Sipat project by March 2010, therefore it NTPC would miss the target.
- **Bajaj Auto** reported over two fold jump in its motorcycle sales at 2,32,939 units in January. The company had sold 1,09,666 units in January last year.
- **Siemens** has announced that the company will invest more than Rs 1600 crore in India over the next three years. A major part of this will be invested to set footprints in the renewable energy market and to expand presence in value priced products.
- **IOL Chemicals and Pharmaceuticals** reported over seven-fold increase in net profit at Rs 6.38 crore for the quarter ended December 31, 2009, compared to the same period a year ago. The company had reported net profit of Rs 85 lakh for the quarter ended December 31, 2008.

	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	FINANCIAL	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	4830.10	23.91	0.00	0.00	0.00	0.00	0.00	0.00	N.A	0.00	0.00	0.00	0.00	0.00
NIKKEI	10400.60	(44.18)	(0.71)	1.09	(0.33)	(0.32)	0.14	(0.01)	0.73	1.29	3.18	0.32	1.15	0.31
KOSPI	1606.92	21.63	(0.29)	0.61	2.08	1.12	(0.14)	0.17	0.84	2.45	(0.42)	(0.16)	0.31	(1.06)
SHANGHAI	2939.22	31.12	N.A	(0.55)	N.A	1.16	(1.20)	(2.07)	N.A	(0.25)	0.69	(2.26)	0.47	(0.93)
TAIWAN	7499.43	115.41	0.25	0.88	(1.99)	0.34	0.46	0.46	(0.33)	0.23	(0.28)	(0.56)	0.45	0.43
HANGSENG	20494.39	20.72	N.A	1.18	0.98	0.88	1.00	1.87	1.22	2.23	4.15	N.A	(0.01)	0.54
CAC	3812.13	16.13	N.A	1.10	N.A	1.73	0.89	1.36	N.A	1.73	0.99	0.83	0.99	0.71
FTSE	5283.31	45.18	1.37	1.69	0.50	0.54	1.45	1.23	3.20	3.94	(0.49)	0.58	0.21	0.72
DAX	5709.66	51.80	0.61	1.71	2.32	2.09	(1.02)	0.81	2.15	1.71	1.10	0.55	1.10	0.35
US	10296.85	15.44	1.90	1.30	1.87	(0.59)	2.96	0.50	0.84	1.30	1.41	1.91	0.83	1.25
AUSTRALIA	3800.50	67.18	N.A	1.91	3.63	1.01	0.29	(0.05)	0.82	4.37	3.19	0.34	0.46	1.60
BRAZIL	67163.21	20.73	N.A	N.A	N.A	N.A	N.A	1.25	N.A	N.A	N.A	N.A	N.A	0.21
MEXICO	30876.65	19.05	N.A	5.83	Tim	0.16	N.A	N.A	N.A	Tim	N.A	N.A	N.A	Tim

- **National Fertilisers Ltd** has won approval from the Cabinet Committee on Economic Affairs over change in feedstocks at the company's three plants at Panipat, Bathinda and Nangal. The conversion in feedstocks from fuel oil / low sulphur heavy stock to natural gas is estimated to cost the company Rs 4,066 crore. The change will enhance lifespan of these plants, reduce cost of production of urea, enhance profitability and will simultaneously reduce subsidy burden of the government of India.
- **Zylog Systems** has acquired Canada-based consulting and engineering company Brainhunter for around Rs 150 crore.

### Global...

#### U.S

- **Toyota Motor Corp.**'s U.S. sales slid to a 10-year low in January as the company's worst-ever recall crisis removed its most popular models from the market and made drivers wary. The decline snaps three months of advances and means the carmaker couldn't take advantage of the U.S. auto market's longest streak of gains since 2006.
- **Bank of America Corp.**, the nation's largest lender, will pay investment-banking employees bonuses of about \$4.4 billion for last year, or an average of \$400,000 each, a person close to the bank said.
- **Morgan Stanley** is "evaluating" its investments in hedge funds including FrontPoint Partners LLC and London-based Lansdowne Partners LP, CEO James Gorman said at an investor conference.

#### EUROPE

- **Banco Santander SA**, the biggest Spanish bank, faces increased investor scrutiny over lending to property developers after Banco Bilbao Vizcaya Argentaria SA said its doubtful loans in Spain almost doubled.
- **The Italian government** is in talks with Telecom Italia Spa about the phone company's strategic options, including a possible takeover by Spain's Telefonica SA.

#### ASIA

- **Fast Retailing Co.**, Japan's largest clothing retailer, fell to its lowest in almost four months in Tokyo trading after domestic sales at its Uniqlo chain slid for the first time in six months.
- **China First Heavy Industries Co.** became the first company in at least a year to fail to raise the maximum amount sought in an initial public offering on the mainland.
- **Airbus SAS**, the world's biggest maker of commercial aircraft, raised its forecast for commercial-jet demand in Asia as economic growth in China and India makes air travel affordable for more people.

### Others...

- **Australian central bank** Governor Glenn Stevens's unexpected decision to keep borrowing costs unchanged gives his economy a chance to absorb a record series of rate increases and allow global counterparts to catch up.

### Currency...

- **The euro** declined on speculation fiscal deficits in Europe will worsen. The euro fell to \$1.3948 as of 11:34 a.m. in Tokyo, from \$1.3965 in New York yesterday. It dropped to 126.01 yen from 126.21.
- **The pound** weakened for a third day against the euro amid speculation housing data this week will signal that the economic recovery is yet to take hold, prompting the central bank to keep interest rates at a record low.

### Commodity...

- **Oil** pared gains and traded below \$77 a barrel in New York after an industry report showed a larger-than-expected increase in crude stockpiles in the U.S., the world's biggest energy consumer.
- **Gold**, little changed in Asian trading, may gain for a third day after the dollar extended a decline, fueling investor appetite for the metal as an alternative asset.
- **Copper** climbed for a third day, extending its rebound from a 10-week low, as U.S. home and auto sales grew and the dollar dropped, improving the demand outlook for industrial metals.

### Events Today...

IN	
8:15	Infinite Computer Holds Press Meet at Listing of Equity Shares
10:00	International conference on Islamic finance and banking
11:00	Mahindra & Mahindra presser on New Product Offering
11:15	MTNL Presser
12:30	ARSS infrastructure presser on IPO
US	
20:30	Treasury's Geithner at House Ways and Means Committee
23:30	Fed's Warsh Speaks to N.Y. Association for Business Economics

### Our View...

US equity indices ended up Tuesday because investor confidence about a rebound in US economy was cemented after data showed that pending home sales rose by 1% in December. Hope of a recovery had been rekindled after the Oct-Dec GDP number, released Jan 29, showed a 5.7% expansion of the economy and the Institute of Supply Management's manufacturing index for January, released Monday, had risen to 58.4 from 54.9 in December. Asian markets were up today led by commodity and energy stocks which gained tracking rise in global prices. The unexpectedly strong US housing sector data added to the buying spree as investors hope for better earnings from exporters given the likely turnaround in the US economy. Data released Tuesday showed pending home sales in US rose 1% in December. Our market is likely to open firm on strong overseas cues, but trade is seen choppy as some amount of selling pressure witnessed Tuesday may continue. Oil marketing companies' shares will be in focus as Kirit Parikh committee on fuel pricing may submit its report today.

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