

FII F&O STATS	BUY	SELL	NET
INDEX FUTURE	1,328.56	2,634.84	(1,306.28)
INDEX OPTION	3,339.82	3,361.97	(22.15)
STOCK FUTURE	2,909.59	2,903.10	6.49
STOCK OPTION	3.17	6.90	(3.73)
FII & MF (Rs. Cr.)	BUY	SELL	NET
FII	2,060.67	2,424.66	(363.99)
DII	1,651.15	1,082.05	569.10
MONEY MARKET	LAST	% CH-1D	% CH-5D
INCALL RATE	3.20	(2.14)	(3.03)
G SEC 91 DAYS	3.38	3.05	1.50
G SEC 360 DAYS	3.90	(0.76)	(0.76)
Company Name(Bulk Deals)	STATUS	QUANTITY	PRICE
Everonn Systems	Sell	2400	405.35
Ispat Industrie	Sell	87908	24.34
SpiceJet	Buy	437500	21.24
K Sera Sera	Buy	358110	15
MOST DELIVERED	% Delivered	Least Delivered	% Delivered
J&KBANK	93.81	ADLABSFIL	10.86
NBVENTURES	87.35	RNRL	11.51
MATRIXLABS	84.18	HDIL	12.71
ULTRACEMCO	83.52	EVERONN	12.85
MAHSEAMLES	83	ESSAROIL	12.93
CURRENCY	LAST	% CH-1D	% CH-5D
RS/\$	48.10	(0.08)	(1.12)
YEN/\$	95.80	(0.59)	2.37
\$/EURO	1.40	0.74	0.35
\$/POUND	1.64	0.96	0.32
CS/\$	1.13	(0.51)	(2.44)
\$/A\$	0.80	0.84	2.03
DXY Index	80.29	0.03	1.07
PRECIOUS METALS	LAST	% CH-1D	% CH-5D
GOLD SPOT \$/OZ	939.49	1.00	(1.31)
SILVER SPOT \$/OZ	14.40	2.77	(4.84)
3 Month Future	LAST	% CH-1D	% CH-5D
LME ALUMINUM (\$)	1590.50	(2.30)	(4.96)
LME COPPER (\$)	4925.00	(2.86)	(5.14)
LME ZINC (\$)	N/A	N/A	(5.03)
LME NICKEL (\$)	14800.00	(1.33)	(4.05)
ENERGY	LAST	% CH-1D	% CH-5D
Generic 1st 'CL' Future	71.01	(0.03)	(2.28)
Generic 1st 'QW' Future	428.50	0.37	(2.94)
Generic 1st 'NG' Future	4.27	0.42	8.59
FREIGHT INDEX	LAST	% CH-1D	% CH-5D
BALTIC DRY INDEX	4,026.00	1.90	16.63
BALTIC DIRTY TANKER	669.00	1.98	24.12

Key Highlights...

U.S. Stocks Fall Led by Banks on Downgrade; Health Shares Gain...

U.S. stocks fell for a third straight day after Standard & Poor's downgraded the credit ratings of 18 banks overshadowing gains in health-care shares as Congress prepares legislation to overhaul the industry.

Asian Stocks Fall on Valuation Concern; Honda Rio Tinto Drop...

Asian stocks declined dragging the MSCI Asia Pacific Index to a three-week low amid concern a rally since March had made stocks too expensive relative to earnings prospects.

World Bank Raises China Outlook Says Stimulus Adequate for Now...

The World Bank raised its growth forecast for China this year and advised policy makers to delay until 2010 any additional stimulus plan that might be needed to boost the world's third-largest economy. China's economy will expand 7.2 percent this year up from a 6.5 percent forecast in March.

Domestic...

- A provisional data from the finance ministry revealed that the Indian companies have paid around Rs 230 billion of taxes in advance for the first quarter of FY10, almost flat at the previous year's receipts. It is matter of satisfaction that despite economic slowdown the companies have paid as much taxes in first quarter of 2009/10 as in the previous year, when the economy was growing at over 9%.
- ADB has approved additional funds worth USD 3.4 billion to help developing nations to tide over the global economic crisis. To battle the intense turmoil, a major chunk of the funds to the tune of USD 3 billion would be provided to the countries to ramp up their fiscal spending.

Sector...

- The government is exploring the option of reintroducing customs duty on crude oil, a move that will help the government mop up a significant chunk of revenue even though it will put pressure on refinery margins of Reliance Industries Ltd, IOC, BPCL and HPCL.
- The government may intervene in the Ambani brothers' fight over Reliance Industries' Krishna Godavari basin gas not just to save the gas utilisation policy but to protect its revenue as well. The exchequer stands to lose up to Rs 4,000 crore if Reliance Industries sells KG gas to Reliance Natural Resources at \$2.34 per unit as directed by the Bombay High Court.
- The deadlock between the ministries of telecom and finance over the base price for the 3G auctions as well as the number of players to be allowed to offer these high-end services is likely to be broken on Friday. A Raja and Pranab Mukherjee are scheduled to meet Prime Minister Manmohan Singh on Friday to thrash out all outstanding issues related to the upcoming auctions.
- The Centre may have to trim the expenditure on food subsidy by about Rs 13,500 crore to implement the Rs 3-a-kg rice-or-wheat scheme as a large section of the people above the poverty line (APL) is unlikely to get cheaper food grains after the enactment of the food security law.

Corporate...

- The \$4-billion refinery project at Bathinda in Punjab, which is coowned by steel tycoon LN Mittal and state-run oil giant HPCL, may go public by the year end to raise around Rs 2,000 crore.
- Tata Communications may sell 26% stake in unit Tata Communications Internet Services as it looks to rope in a strategic partner with proven experience in WiMax operations to bolster its capabilities in the emerging wireless technology.
- Apollo Hospitals Group has pulled out of the race for acquiring Wockhardt's hospital business. The decision is primarily based on differences in valuation and conflict in geographical presence of the hospitals.
- HDFC and HDFC Bank are set to reduce interest rates on term deposits by up to 25 basis points. HDFC will reprice its deposits from today, while its banking affiliate will cut the rates effective June 19.
- Bombay High Court said that it would decide whether to allow Reliance Industries to amend its plea in its suit with NTPC over gas supply contract after two weeks. Through the amendment, RIL wants to argue that following the government's policy on pricing and allocation of KG basin gas, RIL-NTPC contract stands 'frustrated'.
- Fortis Healthcare has emerged as the lead bidder to acquire a part of Wockhardt Hospitals.
- ECI Telecom won a USD 70 million contract from Tata Teleservices to help the later roll out high bandwidth services across India. ECI has rolled out this service for Tata Tele in Hyderabad, Bangalore, Delhi, Ahmedabad, Vizag, Vijayawada, Surat and Baroda.
- Man Industries is putting on hold its plan to build a USD 100-million plant in Arkansas, a year after announcing the project that would have created over 250 jobs.
- Zandu Pharmaceutical Works will consider and approve the scheme of arrangement for restructuring and reorganizing the business of the company with its holding company, Emami.
- Housing Development & Infrastructure approved to issue equity shares upto USD 600 million under qualified institutions placement to qualified institutional buyers.
- IRB Infrastructure Developers has submitted its bid with the National Highways Authority of India for design, engineering, finance, construction, operation and maintenance of four lanning. The project is on grant basis with concession period of 30 years and estimated cost of the project is Rs 8 billion.
- Aircel, Huawei close to signing \$400 million outsourcing deal. Deal for managed services across Andhra Pradesh, TamilNadu, Kerala and Karnataka for 3 years. Aircel, Huawei refuse to comment. Aircel is 74:26 JV of Maxis Communications and Apollo Hospital.
- Huawei 'seriously evaluating' bidding for ITI's 3 manufacturing units. ITI's 3 plants in Bangalore, Rae Bareli and Nainital; currently loss-making.
- Mahindra Defence Services -BAE Systems: in talks to launch Bradley Range of armoured fighting vehicles. M&M may assemble Bradley Vehicles in India for BAE Systems.
- BHEL to partner with private firms for Hydro-power Project. BHEL in talks with Patel Engineering for a partnership.

	Index	P/E	AUTO	CAPITAL GOODS	CONSTRUCTION	FINANCIAL	FMCG	Info Tech	LOGISTICS	Metals	Oil & Gas	Pharma	POWER	Telecom
INDIA	3.58	15.60	(2.49)	(3.95)	(5.90)	(2.64)	(2.06)	(1.97)	N.A	(5.63)	(4.26)	(1.66)	(3.32)	(2.49)
NIKKEI	(1.71)	(95.13)	N.A	N.A	(0.47)	(2.63)	0.97	0.75	N.A	(2.99)	(3.29)	0.18	(0.54)	N.A
KOSPI	(0.17)	29.44	N.A	(0.63)	1.25	0.68	0.11	N.A	0.77	(1.52)	(1.22)	0.87	(0.37)	(1.27)
SHANGHAI	0.92	28.60	N.A	1.03	N.A	2.07	0.83	(0.00)	N.A	0.64	2.63	0.50	(0.28)	0.41
TAIWAN	(0.30)	57.97	(0.75)	N.A	0.99	(1.14)	(0.09)	(2.66)	(0.81)	0.13	(0.75)	0.00	(0.40)	N.A
HANGSENG	(1.90)	15.88	N.A	(1.09)	(1.91)	(2.10)	(2.03)	(2.51)	N.A	N.A	N.A	N.A	(0.08)	N.A
CAC	(1.64)	11.20	N.A	(1.86)	N.A	(2.95)	(1.09)	(1.80)	N.A	(4.58)	(2.36)	1.15	(2.36)	1.57
FTSE	(1.16)	29.43	(10.53)	(3.26)	(1.76)	(0.27)	(1.09)	0.24	(4.09)	(7.40)	(1.93)	1.42	(1.53)	1.88
DAX	(1.86)	25.67	(1.63)	(2.10)	(4.95)	(4.32)	0.89	(0.90)	(4.33)	(2.10)	(1.86)	1.09	(1.86)	2.04
US	(0.09)	11.22	0.73	(0.14)	(2.74)	(4.00)	(0.05)	0.51	(0.70)	(1.90)	(1.39)	2.07	(0.13)	(0.27)
AUSTRALIA	(0.44)	19.58	N.A	(2.87)	(2.95)	(1.55)	(0.55)	(0.70)	N.A	(0.39)	(0.98)	0.08	N.A	(0.52)
BRAZIL	(0.31)	20.44	N.A	N.A	N.A	N.A	N.A	(0.24)	N.A	N.A	N.A	N.A	N.A	0.09
MEXICO	(0.31)	15.70	N.A	0.24	N.A	(0.63)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

- **IL&FS Investsmart's** promoter, HSBC Securities and Capital Markets (India), has proposed to acquire 4.29 million shares representing 6.14% stake in the company.
- **Cairn India** to start test runs at its Mangala field next week. To go into international arbitration over cess after production starts. To start full production at Mangala field by July 10. Officials to meet Rajasthan CM next week to sort out VAT issue.
- **LIC** hikes stake in **Ultratech Cement** to 6.6% versus 4.7%; cuts stake in UBI to 7% versus 9.18%.
- **BPCL** raises Rs 700 crore via oil bond sale.
- **Hindalco** eyes coal mines in Australia, deal worth \$70-80 million.
- **Bharti** rules out FDI in DTH business.
- US based **Medicis Pharma Corp** sues **Ranbaxy** for alleged infringement of patent drug Acen.
- **Neyveli Lignite** back in disinvestment list, DMK spokesperson says will oppose such move.

Global...

U.S

- **President Barack Obama** proposed the most sweeping overhaul of the U.S. financial regulatory system in 75 years, seeking to correct a "cascade of mistakes" that toppled major securities firms, froze credit markets and destroyed \$26.4 trillion in stock market value around the world. The proposal, much of which will be subject to approval by Congress, adds an additional layer of regulation for the biggest financial firms. It would create an agency for monitoring consumer financial products, make the Federal Reserve the overseer of companies deemed too big to fail, and bring hedge and private equity funds under federal scrutiny.
- **Yields on Fannie Mae and Freddie Mac** mortgage securities rose for the first day in five, suggesting interest rates on new home loans will resume their climb.
- **Eddie Bauer Holdings Inc.**, the U.S. outdoor-clothing chain, filed for bankruptcy court protection as part of a proposed sale to affiliates of CCMP Capital Advisors LLC for \$202 million.

EUROPE

- **European stocks fell** for a fourth straight day, the longest stretch of declines since February, amid concern that the three-month rally has outpaced the prospects for earnings growth.
- **Britain** will fight proposals today to lash London's banks to European Union oversight, deepening the EU divide over how to prevent future financial shocks. At an EU summit in Brussels, Prime Minister Gordon Brown will defend the U.K.'s powers as the sole supervisor of the more than 600 British and foreign banks that make London Europe's financial center.
- **Bank of England Governor Mervyn King** said Britain's banking system may need to raise more capital to finance the economic recovery as officials keep printing money.

ASIA

- **Japanese stocks fell** as the local currency strengthened to a two-week high, diminishing the earnings prospects for makers of cars and electronics.
- **Japan's government and central bank** agree that the worst of the deepest postwar recession is over.

Others...

- **Brazil's Bovespa index fell** for a third day, the longest losing streak in four weeks, as commodity producers slumped amid speculation that the nation's share rally outpaced growth prospects.
- The **Swiss National Bank** may keep its benchmark interest rate unchanged today as it gauges the impact of record low borrowing costs and its program of currency and bond purchases on the economy. The central bank will leave the three-month Libor target at 0.25 percent.

Currency...

- **The dollar traded near a two-week low** against the yen on speculation the Federal Reserve will refrain from raising interest rates because of slower-than-expected inflation.
- The **Australian and New Zealand dollars rose** against the U.S. currency, erasing losses, as a gain in U.S. equity futures spurred investors to buy higher-yielding assets.

Commodity...

- **Gold advanced** in Asia and may extend gains after the dollar's rally this week failed to push prices below their 100-day moving average.
- **Crude oil rose** for a second day in New York after militants claimed to "destroy" a Royal Dutch Shell Plc pipeline in Nigeria, Africa's largest oil producer, and as U.S. stockpiles declined.
- **Copper gained** for the first time in five days in Asia, halting the longest slide in six months, as the dollar weakened, boosting demand for commodities as alternative investments.

Events Today...

US	
19:00	U.S. Treasury's Geithner Testifies at Senate Banking Panel
INDIA	
10:00	CII organizes a Seminar on Manufacturing Companies
11:30	Rail Europe organizes Press Conference for Future in India
12:15	Acer organizes a Press Conference for New Handhelds in India

Our View...

US shares ended mixed as technology and pharmaceutical shares' gains were offset by losses in finance shares after S&P downgraded credit ratings of 18 banks. Also President Barack Obama's plan to restructure financial regulation that lacked any major surprise also weighed on the indices. Asian indices weak after Standard & Poor's downgraded 18 US banks citing credit-related worries. Also investors booked profits in all major counters on expensive valuations amid concern of a decline in corporate earnings. Exporters dragged down Japan's Nikkei as the yen strengthened against the greenback. SGX CNX Nifty June was up 0.5%. Our market is likely to be volatile today.

For suggestions, clarifications & your valuable feedback write back to us at

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