



Markets at a Glance:

	26-May	% Change		
		1-Day	1-Mth	3-Mths
BSE Sensex	13,589	-2.3	19.5	52.8
S&P Nifty	4,117	-2.9	18.6	49.0
BSE MidCap	4,724	-3.4	31.8	71.3
BSE Small Cap	5,609	-3.1	39.3	80.6
BSE Auto	4,320	-2.4	25.2	61.0
BSE Bankex	7,605	-3.1	32.8	79.4
BSE Cap Goods	10,795	-3.1	33.7	83.0
BSE FMCG	2,090	-2.2	-0.9	2.3
BSE Healthcare	3,418	-1.6	10.5	31.6
BSE IT	2,845	0.9	11.3	35.7
BSE Metals	9,809	-1.2	38.2	109.1
BSE Oil & Gas	9,638	-2.4	19.8	58.9
BSE Power	2,658	-3.0	24.9	51.8
BSE PSU	7,613	-2.6	28.6	52.7
BSE Realty	3,315	-4.0	50.5	134.6
World Indices				
Dow Jones	8,473	2.4	5.6	20.0
Nasdaq	1,750	3.5	4.2	27.0

Institutional Trends:

INR Cr	Cash			
	Cash	F&O	MTD	YTD (FY)
FII	3,046	-1,086	17,633	24,141
MFs	388	-	549	590

Currencies/Commodities:

INR	Rate/ Unit	Change	
		Abs	%
Re/US (\$)	47.93	-0.6	1.4
Re/UK (£)	75.75	-0.7	0.9
Re/Euro (€)	66.49	-0.3	0.5
Brent (\$/Bbl) - Crude Oil	58.18	-1.0	-1.6
Gold 99.90 (10 Grm)	14,645	40.0	0.3
Silver .999 (1 Kg)	22,700	-85.0	-0.4

Interest Rates (%):

	Last	1-Mth ago	3-Mth ago
Call	3.50	3.25	4.10
91 Day T-Bills	3.15	2.95	4.68
1 Year G-Sec	3.27	3.30	5.10
9 Year G-Sec	6.65	7.49	7.49

ADR/GDRs:

Company	Price (\$)	% Chg	Prem/Disc
Dr. Reddy's	13.7	2.2	-0.3
HDFC Bank	95.5	3.8	13.9
ICICI Bank	29.2	-1.0	5.0
Infosys	32.4	2.5	0.7
MTNL	3.9	2.0	-1.6
Tata Motors	9.5	-1.6	-30.4
Tata Comm.	22.2	-12.9	-2.3
Wipro	11.2	1.9	43.8

	Sensex Close			
Current Week: 09	▲ 08	▼ 00		
Today: 35	▲ 20	▼ 14		

Strategy for the Day:

- ✓ Stocks are likely to pursue global clues, as US consumer confidence surged to 54.9, biggest gain since April'03, ignoring sliding home prices in US and hovering auto worries.
- ✓ Confusion over sustainability in the absence of apposite clues from local market has fainted Mr. Market and bears getting strength as realities setting in.
- ✓ Stocks to preserve volatility ahead of week seeing May series F&O expiry and delayed second round of cabinet portfolio.
- ✓ Asian markets are trading deep into the green territory. Hang Seng +4.0%, Taiwan +2.6%, Nikkei +1.7%, Kospi +1.5%, Straits Times +1.5% and Shanghai +0.8%.

Action Ideas Today:

	Bias	Support		Resistance	
		S2	S1	R1	R2
Sensex	Positive	13,227	13,408	13,881	14,172
Hero Honda	Positive	1,270	1,306	1,364	1,386
Asian Paints	Positive	995	1,025	1,080	1,105
SBI	Positive	1,613	1,650	1,742	1,797
Tata Comm	Negative	494	520	585	624

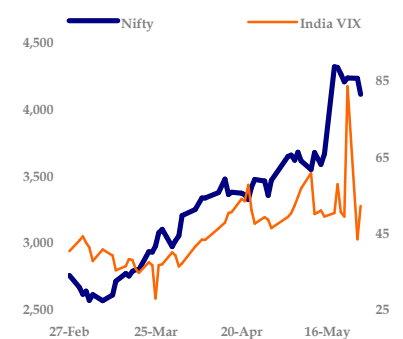
Turnover Data:

INR Cr	Last	% Change		
		1-Day	1-W Avg	1-M Avg
BSE Cash	6,938	-5.3	-2.1	20.5
NSE Cash	19,359	2.8	-14.6	12.8
NSE F&O	77,396	18.8	21.3	26.8
Nifty Index Future	19,554	22.7	17.9	18.6
Nifty Index Future OI	9,047	-15.5	-42.6	-33.1
NSE Market Cap	4,220,910	-2.7	0.1	14.7

Intraday:



Nifty & India VIX - 3 mths:



For private circulation only. Please read the Important Disclosure at the end of the report.

KSL Intelligent Research Reports can be accessed on: www.bloomberg.net (KHDS<GO>), www.thomsonreuters.com, www.capitaliq.com, www.themarkets.com, www.kslindia.com, www.moneycontrol.com, www.securities.com, www.valuenotes.com

This report is a part of intellectual property of Khandwala Securities Limited; any query on this report may be directed to Head of Research at research@kslindia.com



Derivatives:

Rise in Open Interest	%	Future Price (INR)		Fall in Open Interest	%	Future Price (INR)	
	Chg	Close	% Chg		Chg	Close	% Chg
Everonn Systems	12.7	333.5	8.2	UltraTech Cements	94.5	681.9	1.0
United Phosphor	9.8	161.1	-6.0	Piramal Healthcare	54.2	255.1	-6.0
Karnataka Bank	9.1	134.6	-6.3	Gitanjali Gem	50.7	114.1	-3.4
Tata Tea	8.7	697.7	-0.6	Orchid Chemicals	46.4	125.0	-4.7
Sintex Industries	6.3	204.5	-6.9	S Kumar Natwide	44.3	38.3	0.5

BSE Top Movers & Shakers:

Gainers	Close Price (INR)		%	Losers	Close Price (INR)		%
	Day	Prev.	Chg		Day	Prev.	Chg
Spice Communications	80.3	61.6	30.3	Tulip Telecom	687.9	716.8	-4.0
REI Agro	80.2	75.6	6.1	HDIL	264.6	293.6	-9.9
Indiabulls Financials	205.0	195.2	5.0	Reliance Communications	291.5	322.3	-9.6
Jai Corp	236.9	226.6	4.5	Titan Industries	958.0	1,052.2	-9.0
LIC Housing Finance	446.9	427.9	4.4	Tech Mahindra	439.6	482.0	-8.8

NEWS TODAY

ECONOMY	CORPORATE	INTERNATIONAL
<ul style="list-style-type: none"> ✓ Top Indian software exporters have cautioned investors about a potential impact on their profitability because of higher tax rates, as the country's over \$40-bn IT industry prepares to cope with removal of tax holiday under the STPI scheme due to expire by March 2010. ✓ The government is looking at splitting the commerce and industry ministry into two ministries with two full Cabinet ministers. ✓ Capital account of the Balance of Payments (BoP) of the country to experience a net flow of \$3,740-mn in the Mar 09 quarter as against an outflow of \$3,683-mn in the Dec 2008 quarter, CMIE said. ✓ Finance Minister said that the Budget for 2009-10 that will spell out policies and priorities of the new govt will be presented in the first week of July. ✓ India is contemplating imposition of anti-dumping duty on imports of viscose filament yarn to guard the domestic industry. ✓ The Board of Approval (BoA) in the Commerce Ministry will again take up, on June 2, the proposal of Mundra Port and SEZ for almost doubling the power generation capacity at its sector specific special economic zone at Kutch in Gujarat. ✓ With the Centre's expenditure increasing, the RBI and Finance Ministry officials will take a call on revising the schedule and amount of government borrowings on May 30. 	<ul style="list-style-type: none"> ✓ Agro Tech Foods reported a growth rate of 28% to Rs 208.5-mn in its consolidated net profit during FY09. ✓ Bank of Baroda said its consolidated net profit jumped 54% to Rs 23.84-bn in the financial year ended Mar 31. ✓ Gmmco Ltd has set up a new business division Gmmco Power at its headquarters in Chennai. ✓ ICICI Bank entered into a tie up with mChek to issue electronic cards to customers. ✓ KK Modi Group is acquiring a 10.8% stake in Godfrey Phillips (GPI) from JV partner Philip Morris for an estimated Rs 1-1.25 bn. ✓ Construction work on the 99-MW Singoli-Bhatwari hydel project, being developed by Larsen & Turbo in Uttarakhand with an investment of Rs 6-bn, has come to a halt. ✓ NALCO has cut prices of its products by up to Rs 5,000 a tonne, a step aimed to discourage imports from China which have got a boost after the domestic currency turned stronger against the US dollar. ✓ PTC India has raised Rs 5-bn by issuing shares to qualified institutional buyers. ✓ Pantaloon Retail said it has received shareholders' approval for restructuring the company into three separate entities. ✓ Unitech has sold a hotel in Gurgaon for Rs 2-bn and is close to selling another hospitality project by June-end for a similar amount. 	<ul style="list-style-type: none"> ✓ Australia & New Zealand Banking Group plans to raise A\$2.5-bn (\$2-bn) selling shares to fund a bid for Royal Bank of Scotland Plc's Asian assets. ✓ Chinese steelmakers, led by Baosteel, will reject a 33% cut in iron ore prices agreed by mining company Rio Tinto and Nippon Steel. ✓ Caltex Australia will buy 302 filling stations from Exxon Mobil Corp. for A\$300-mn (\$236-mn). ✓ China's Gome Electrical Appliances Holdings may sell as much as 20% of itself to Bain Capital LLC. ✓ Inspur International said it was selling HK\$434-mn (\$55.6-mn) worth of new shares, raising capital to fund future investment and for working capital. ✓ Japan's shipments abroad fell 39.1% from a year earlier, after dropping 45.5% in March. From a month earlier, exports rose 1.9%, a second straight gain. ✓ South Korea's POSCO will follow its Japanese peer Nippon Steel and accept a 33% cut in iron ore prices. ✓ Sleepy's LLC won the auction for bankrupt rival Dial-A-Mattress Operating Corp with a \$25-mn bid. ✓ Software maker VMware Inc plans to buy 5% of IT services provider Terremark Worldwide Inc. ✓ United Financial Bancorp Inc raised its offer to buy CNB Financial Corp, topping a sweetened bid from Berkshire Hills Bancorp Inc.



INDIA

EQUITY RESEARCH		TEL. NO. +91 22 4076 7373	FAX +91 22 4076 7378
Name	Designation	Sectors	E-mail
Ashok Jainani	VP, Head Research	Market Strategy	ashokjainani@kslindia.com
Dipesh Mehta	Sr. Research Analyst	IT, Telecom	dipesh@kslindia.com
Hatim K Broachwala	Research Analyst	BFSI	hatim@kslindia.com
Vinay Nair	Research Analyst	Energy	vinay.nair@kslindia.com
Giriraj Daga	Research Analyst	Metals & Mining	giriraj@kslindia.com
Kruti Shah	Research Associate	Economics	kruti.shah@kslindia.com
Sandeep Shrimali	Research Associate	Cement	sandeep.shrimali@kslindia.com
Dinesh Bhatia	Research Associate	Technical Analysis	dinesh.bhatia@kslindia.com
Sandeep Bhatkhande	Research Associate	Publishing	sandeep@kslindia.com
Lydia Rodrigues	Research Executive	Data Mining	lydia@kslindia.com

INSTITUTIONAL DEALING		TEL NO. +91 22 4076 7342-47/56	FAX NO. +91 22 4076 73 77-78
Biranchi Sahu	Head	Institutional Equity	bsahu@kslindia.com
Gopi Doshi	Senior Dealer	Institutional Equity	gopi.doshi@kslindia.com
Mayank Patwardhan	Dealer	Institutional Equity	mayank.patwardhan@kslindia.com

PRIVATE CLIENT GROUP		TEL No. +91 22 4076 7317-21	FAX NO. +91 22 4076 73 77
Sanjay K Thakur	President	Sales & Marketing	thakursk@kslindia.com
Subroto Duttaroy	General Manager	Equity & Portfolio Mgmt. Service	subroto@kslindia.com
Jagdish R Modi	Manager	Equity & Portfolio Mgmt. Service	jrmodi@kslindia.com

BRANCH OFFICE (PUNE)		TEL NO. +91 20 2567 1404/06	FAX NO. +91 20 2567 1405
Ajay G Laddha	Vice President		ajay@kslindia.com

Corporate Office:

Vikas Building, Ground Floor,
Green Street, Fort,
MUMBAI 400 023.
Tel. No. (91) (22) 4076 7373
Fax No. (91) (22) 4076 7377/78
E-mail: research@kslindia.com

Web site: www.kslindia.com

Branch Office:

C8/9, Dr. Herekar Park,
Off. Bhandarkar Road,
PUNE 411 004
Tel. No. (91) (20) 2567 1404/06
Fax. No. (91) (20) 2567 1405
Email: pune@kslindia.com

Short-term trading based on technical indicators is a risky and skill oriented practice which may result into huge losses or profits. It is not advisable to trade a stock if it reaches the target price first and then comes within recommended range. Target prices are just indicative based on the various technical parameters. Actual stock prices may come nearer or breach those levels. Always follow stop losses to avoid larger losses.

Important Disclosure

The Research team of Khandwala Securities Limited (KSL) on behalf of itself has prepared the information given and opinions expressed in this report. The information contained has been obtained from sources believed to be reliable and in good faith, but which may not be verified independently. While utmost care has been taken in preparing the above report, KSL or its group companies make no guarantee, representation or warranty, whether express or implied and accepts no responsibility or liability as to its accuracy or completeness of the data being provided. All investment information and opinion are subject to change without notice. Also, not all customers may receive the material at the same time.

This document is for private circulation and information purposes only. It does not and should not be construed as an offer to buy or sell securities mentioned herein. KSL shall not be liable for any direct or indirect losses arising from the use thereof and the investors are expected to use the information contained herein at their own risk. KSL and its affiliates and / or their officers, directors and employees may own or have positions in any investment mentioned herein or any investment related thereto and from time to time add to or dispose of any such investment. KSL and its affiliates may act as market maker or have assumed an underwriting position in the securities of companies discussed herein (or investments related thereto) and may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies.

The investments discussed or recommended in this report may not be suitable for all investors. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors, as they believe necessary. Income from investments may fluctuate. The price or value of the investments, to which this report relates, either directly or indirectly, may fall or rise against the interest of investors. The value of or income from any investment may be adversely affected by changes in the rates of currency exchange.

This document is strictly meant for use by the recipient only. None of the material in this report shall be reproduced, resold or re-distributed in any manner whatsoever without the prior explicit written permission from KSL.