

Market Outlook: Nifty will have flat to positive opening today on the back of recovery seen on the Asian markets The Nifty is expected to remain in the range of 4800-5100 and only a breach below this range will drag the index to lower support of 4700

Global Events to watch for today:

- Motor Vehicle Sales
- Challenger Job-Cut Report
- Pending Home Sales Index

Global indices Update @ 8:

Dow Jones	: 10024	(- 112.6)
NASDAQ	: 2222	(- 34.71)
Nikkei 225	: 9747	(+35.71)
Hang seng	: 19633	(+136.5)
SGX CNX Nifty	: 4960	(+20.00)
INR / 1 USD	: 46.69	

Stocks in action for the day : Hero Honda, Maruti, RIL, SpiceJet, Surya Pharma, R-Infra, REC, HCL, GAIL, GVK Power, Jayaswal Neco...

Hero Honda, Maruti's sales hit record high in May: The automobile industry has good news to cheer up the market with record May auto sales numbers. Both Hero Honda and Maruti Suzuki recorded highest-ever monthly sales in May. However, sales of Bajaj Auto has fallen in May on a month-on-month basis. Largest two-wheeler manufacturer Hero Honda has achieved a 14% sale growth by selling 4,35,933 units compared to 3,82,678 units in the year-ago period. Meanwhile, Maruti has a sale of 1.02 lakh units in May compared to 79,872 units in the year-ago period. Earlier in the month of April, it had sold 93,078 units.

Coal to power RIL`s future ambitions Reliance Industries, freed from its non-compete agreement with the Anil Dhirubhai Ambani Group (ADAG) that barred it from investing in high-growth sectors, is likely to make its first big-ticket investment in coal-fired power plants. RIL, which is looking to invest surplus cash, is likely to settle on coal-based power plants thanks to the surging demand for electricity and the attractive rates of return, a person familiar with the group`s thinking said. An RIL spokesperson declined to comment on the issue.

ADAG opens renewed talks with SpiceJet promoters Anil Ambani`s ADAG group has begun renewed talks with the Kansagra family which is the highest stake holder in SpiceJet for a stake buyout. The talks began last week after a fresh proposal was made by the ADAG group. The Kansagra family owns 12.89% stake in SpiceJet. Both parties had a round of talks in April but could not make any headway due to differences over valuations. Talks between the Marans and Kansagra family also could not progress due to valuation differences.

Surya Pharma to raise Rs 5 bn Chandigarh-based Surya Pharmaceutical is planning to raise Rs 5 billion through various instruments like Rights Issue, Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds

(FCCBs) and External Commercial Borrowings (ECB) for funding its new projects, expansions, diversification, acquisitions, other business expenses and to augment working capital requirements. Surya Pharmaceutical President, Corporate Finance, Hari Om Bhatia said, ``We are planning to raise Rs 3 billion in next 4-6 months through GDR, ADR, Right Issue, QIP route etc. We are in talks with certain agencies and very soon an announcement will be made in this regard. The money raised would be utilised for funding new projects, expansions, diversification, investment in group`s retail arm venture, acquisitions, other business expenses and to augment working capital requirements. Besides, we have also plans to raise Rs 2 billion through FCCB or ECB route.``

Parkway shares raise pressure on Fortis The Fortis management might have to finalise its counter-bid plans soon if Singapore-based Parkway Holdings` share price remains close to what has been offered by Malaysia`s Khazanah Nasional Bhd to acquire majority stake in Asia`s largest healthcare chain. For, the share price has surged in the expectation of a counter-offer from Fortis. If investors feel this is not likely, the share price of Parkway - S USD 3.69 a share on June 1 - is expected to fall. Which would make the conditional offer of Khazanah, to acquire 51.5% stake in Parkway for S USD3.78 a share, attractive to many and lead to a sudden offload of stocks, analysts say.

R-Infra wins Rs 29.6 bn project from NHAI The Anil Dhirubhai Ambani Group (ADAG) firm Reliance Infrastructure (R-Infra) on Tuesday said it has won a Rs 29.6 billion project from the National Highways Authority of India (NHAI). The contract is for six-laning of 180 km Delhi-Agra road passing through Haryana and UP and will be built on design, build, finance, operate and transfer toll basis (DBFOT) under the National Highways Development Project (NHDP). ``Delhi - Agra project will start generating revenues immediately after achieving financial closure, which is expected to be achieved within the next 6 months,`` the company said in a statement. R-Infra has become the country`s largest private sector road developer with its road portfolio having 11 projects with an investment outlay of about Rs 120 billion.

TRIL rises as Siemens seen keen on stake buy: Market talk that power major Siemens India is likely to pick up a stake in Transformers & Rectifiers (India) (TRIL) has seen the company`s share price move from Rs 405 on May 27 to its current level of Rs 416 on Tuesday. The buzz on Dalal Street is that law firm Amarchand Mangaldas is doing the due diligence for the company. When contacted, TRIL`s CMD Jitendra U Mamtora denied any such move and termed it as market speculation. An email sent to Siemens India elicited the response that the company does not comment on market speculation. Analysts maintain that TRIL, which recently expanded capacity by three times, is expected to register good growth for FY10-11. The company has a decent order book and the company`s growth will be driven by large-scale demand for power and distribution transformers in India actuated by the huge power generation capacity addition plans.

Tata Motors May Sales (YoY) -May domestic sales at 52,801 units versus 38,392 units
-May total exports at 3,978 units versus 1,804 units -Total sales up 41% at 56779 versus 40196 units

Kingfisher Airlines – Sources -Kingfisher Airlines looking to raise at least USD 250 million by end of Q2-GDR, rights issue, combination of both being considered -KFA in process of cleaning up balance sheet KFA has written of Rs 650 crore of exceptional items
-Exceptional items largely debt of erstwhile Deccan

Cement sales -JP Associates May cement sales up 63% at 1.32 mt versus 0.8 mt -AV Birla Group May cement sales at 3.35 mt, up 5.59% YoY -Shree Cement May cement sales up 15.1% at 8.46 lakh tonne (YoY)

RIL - Sources: -RIL not to sign GSPA till govt allocates gas to ADAG -RIL, RNRL may first sign GSMA -RIL-RNRL GSMA will be subject to govt approval CNBC-TV18 alert GSMA: Gas Supply Master Agreement GSPA: Gas Supply Purchase Agreement

Jayaswal Neco board approves demerger of steel business of Corporate Ispat Alloys and its merger with self; to issue 3 shares of company to every 2 of CIAL

GVK Power bags highway project worth Rs 850 crore

Yogesh Munjal who holds 29% stake in **Hero Honda** likely to quit Hero for Showa (ET)

MIDC plans JV with **GAIL** for gas distribution would tap Gail's trunk pipeline between Tarapur in Mumbai & Dabhol in Ratnagiri (ET)

Bank of Ireland shortlists IBM, **HCL** for USD 600 million outsourcing deal (ET)

Axis Bank lowers deposit rates by 25-50 basis points (BS)

REC aims to raise USD 70 million through an offshore loan by July to finance projects (Mint)

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