



Source, chart & following table: Bloomberg

Close 1 July 2010	Index	Pts Chg	% Chg	2010/11	5 Yr	5 Yr	5 Yr
		Day	YTD	PER	PER Hi	PER Lo	Avg
SENSEX 30	17,509	-191	+0.2 %	16.8x	25.0x (1/08)	8.1x (11/08)	18.7x
NIFTY 50	5,251	-61	+1.0 %	N/A	N/A	N/A	17.2x

MARKET NEWS

- Performance of selected Asia Pacific/ Western markets for the half year to 30 June – P/E, index level and % change:

2010 INDEX PERFORMANCE	Current Yr P/E Est.	Index at 30.6.10	2010 % CHG
ASIA PACIFIC:			
AUSTRALIA 200 INDEX	13.8	4,302	-11
CHINA SHANGHAI COMP	14.1	2,398	-27
CHINA SHENZHEN COMP	N/A	945	-21
HONG KONG HANG SENG	13.4	20,248	-7
INDIA NIFTY 50	N/A	5,313	+2
INDIA SENSEX 30	17.0	17,701	+1
INDONESIA JAKARTA COMP	14.4	2,914	+15
JAPAN NIKKEI 225	17.4	9,383	-11
MALAYSIA K.L. COMP.	15.4	1,314	+3
PAKISTAN KSE 100	8.0	9,722	+4
PHILIPPINES PSEi	13.0	3,373	+10
SINGAPORE STI	14.2	2,835	-2
SRI LANKA ALL SHARE	N/A	4,612	+36
STH. KOREA KOSPI	10.2	1,698	+1
TAIWAN TAIEX	13.4	7,329	-10
VIETNAM STOCK INDEX	N/A	507	+3
WESTERN:			
UK FTSE 100	10.5	4,917	-9
USA D.J. IND	12.2	9,774	-6
USA NASDAQ	16.3	2,109	-7
BRAZIL BOVESPA	11.6	60,936	-11
RUSSIA	N/A	3,057	-2

- Asia presents a mixed picture at the half-year stage. Sri Lanka stands out with an impressive 36% gain, following the end of the civil war there. India just manages to be in positive territory. China, after storming ahead last year, sees profit booking. P/E ratios have come down to make valuations attractive. The European debt crisis still affects sentiment negatively, especially its knock-on effect on the banking system.

- Thompson Reuters reports that Japan's \$685 bn investment trust funds, or "toushin", market saw net inflows for the 14th consecutive month in May. Retail investors have been net buyers in the toushin market for 12 consecutive years after distribution channels widened to include banks and post offices. Japan's persistently low interest rates for over a decade, an ageing population and concerns about the social

security net have prompted retail investors to increasingly look at emerging markets for higher returns. BRIC countries feature high as favourites, especially Brazil and India. The latter is seen as being on a similar path to Japan in the late 60s/early 70s.

- The 5-year performance in US\$ (ignoring inflation and re-invested dividends) of selected Asian and Western markets is:

5-YEAR PERFORMANCE IN US\$	Worth at 30.6.2010 of US\$100 invested 5 years ago
Source: Bloomberg	
ASIA PACIFIC:	
AUSTRALIA 200 INDEX	\$ 113
CHINA SHANGHAI COMP	\$ 271
CHINA SHENZHEN COMP	\$ 425
HONG KONG HANG SENG	\$ 141
INDIA NIFTY 50	\$ 243
INDIA SENSEX 30	\$ 231
INDONESIA JAKARTA COMP	\$ 275
JAPAN NIKKEI 225	\$ 101
MALAYSIA K.L. COMP.	\$ 174
PAKISTAN KSE 100	\$ 90
PHILIPPINES PSEi	\$ 210
SINGAPORE STI	\$ 158
SRI LANKA ALL SHARE	\$ 213
STH. KOREA KOSPI	\$ 143
TAIWAN TAIEX	\$ 115
VIETNAM STOCK INDEX	\$ 171
WESTERN:	
UK FTSE 100	\$ 80
USA D.J. IND	\$ 94
USA NASDAQ	\$ 102
BRAZIL BOVESPA	\$ 317
RUSSIA	\$ 250

All indices, except 3 (Pakistan, UK and US's Dow Jones IA), show positive results. 2 indices (Japan and NASDAQ) are barely above par. BRIC countries do well – China's Shenzhen leads with \$100 now worth \$425. Despite the worst global financial crisis in 2008 – 09, and the recent setback over the unfolding European debt crisis, many Asian countries do well looking at the big picture over 5 years. Please note that inflation and re-invested dividends have been ignored to make the table simple.

SELECTED SHARE PRICES

GDR OFFER PRICES (US\$) LONDON – 1 July 2010: 15:00 GMT							
Company	Day's Price	Day's Change	Premium/Discount	Company	Day's Price	Day's Change	Premium/Discount
L&T	\$38.41	-38¢	-0.2%	SBI	\$98.50	-\$1.90	+1.4%
M&M	\$13.34	-57¢	+0.9%	Suzlon Energy	\$5.10	-2¢	+3.5%
Ranbaxy	\$9.96	+5¢	+0.6%	Tata Power	\$28.20	n/c	+0.5%
Rel. Inds	\$46.30	-41¢	+0.2%	Tata Steel	\$10.30	n/c	+5.9%

Source : Bloomberg

ADR OFFER PRICES (US\$) NEW YORK – 1 July 2010: 15:00 GMT							
Company	Day's Price	Day's Change	Premium/Discount	Company	Day's Price	Day's Change	Premium/Discount
Dr.Reddy	\$30.55	-31¢	-1.2%	Satyam	\$5.12	-3¢	+29.2%
HDFC Bank	\$142.94	-8¢	+16.3%	Sterlite	\$14.16	-9¢	+0.2%
ICICI Bank	\$36.20	+6¢	+0.2%	Tata Com (ex VSNL)	\$11.17	+16¢	-0.2%
Infosys	\$59.76	-16¢	+0.6%	Tata Motor	\$17.12	-7¢	+4.5%
MTNL	\$2.82	+1¢	-1.1%	WIPRO	\$11.94	-7¢	+48.1%

Source : Bloomberg

AIM (LONDON): in GB p unless stated otherwise (indicative only) – 1 July 10: 15:00 GMT							
Company	Day's Price	Day's Change	YTD Change	Company	Day's Price	Day's Change	YTD Change
DQE	120	+6	+19%	KSK	500	n/c	-4%
Dhir India	100	n/c	-5%	Naya Bharat	\$0.345	n/c	-14%
Eredene	20.75	n/c	+22%	Noida Toll	\$3.60	n/c	-20%
Eros	190	+2	+18%	OPG Power	67	-1	-26%
Gt Eastern	500	-3	+14%	Prometh. (Eleph.Cap)	65	n/c	+8%
Greenko	152	+2	+29%	Trinity	59	-0.25	+6%
HIRCO	132	-4	-17%	Unitech	26	+0.75	+8%
Indian Films	40	n/c	-5%	W. Pioneer	22	n/c	-12%
Ishaan	65	n/c	+23%				

Source : Bloomberg

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