

**Editorial**
**Vol -1, No-I, 8 June 24, 09 pages**

Will not be surprised to see Sensex going up 2000 2500 points today. SGX is 23500 our first target done. Wait for 25800 now.

Exit poll came with CNI bang on. Our 2 decade record of predicting election results is intact. Yes CNI is small organization compared all big players in market such M S , IIFL , MO , KOTAK or you take any other name but the accuracy of prediction whether elections or markets is unmatched. Please check 3 weeks back YMV where we gave state wise expectation and it is bang on. E g We projected 27 in WB and exit poll says 26 to 31. You should be proud that you are in safe hands.

Let us not waste time in seeing actual results on 4th June as you have wasted enough time relying on fake circulation. Congress had lost elections the day they had announced that they are Muslim party. They should have stuck with their secular stance for while they could have done better. But Congress us biggest gainer of this election as they will not have pay Rs 1 lacs khatakhat.

My target 25800 in straight run. Hence try to focus on buying with the word go ...

**Bhel** : Rs 22000 crs ibitda is hidden which as and when unearh will take its price to 4 digit +

**Sail** : Value of 97000 acre landbank is 2 lac crs steel 2.10 lac crs and mining 70 k so sotp is 4.80 lac crs whereas current m c is just 60 65 crs. 1000+ destination

**Bpcl** : capex is bigger than jio adani or any other co. Rs 1.75 lac crs ...this should bring back 7 lac crs revenue which will add up 70000 crs profit means BPCL could be 10 bagger Bonus is protecting your investment

**Tirupati Starch** : Target could be 5 digit as this is thr only co in the universe which has equity efficiency ratio of 10 and payback period as as low as 15 months

**Change of the week**

	08-June-24	Rise /Gain
Sensex	76693	2829 ↑
Nifty	23290	784 ↑

**Net Investments ( ` Cr)**

	FII	DII
03-06-2024	6847.1	1913.9
04-06-2024	(12243.9)	(3318.9)
05-06-2024	(4804.3)	4555.0
06-06-2024	(6770.7)	3718.3
07-06-2024	4391.0	(1289.7)
<b>Total</b>	<b>(12552)</b>	<b>5579</b>

**Turnover ( ` Cr)**

	FII	DII	Combined
<b>07-June-24</b>	<b>2,24,060</b>	<b>2,14,066</b>	<b>4,38,126</b>

07-June-24	Advances	Declines	Ratio
BSE	2858	1001	2.85

**A k Spintex** : Matches Roe of Dixon rare to get a hidden gem like this Also close to CDSL Roe Please see our presentation for comparative ROE of some big companies.

**Shivam Auto** : Hero Group defense story.

NDA 350+ is certain. No change in our view. But stocks which have not participated yesterday will participate today.

BPCL BHEL SAIL TAPO TAMO TACO MNM FIN lthf will remain out top picks in A gr.

You know all our recommendations of B gr but TIRUPATI and AK have just 18 months payback and hence will remain our preferred picks.

Have stock specific approach as B gr will start participating from 16th JUNE as AANGADIA services will start on 16th post elections which will pump cash markets.

In the whole world CNI was the only one which constantly said that NDA will be 350+ and we flashed our estimates for your review in R I section so that you know how safe are you with CNI.

None of CNI members fear.

On merits PE is heading to 25 which means Nifty is heading to 30000 so keep that in mind and remain long. Other factors I have discussed yesterday.

<b>5 Top Gainers</b>			
<b>Stock</b>	<b>07-06-2024</b>	<b>03-06-2024</b>	<b>% Gain</b>
V-MART RETAIL	2676.5	2090.6	28.0
NAVA L	588.1	487.3	20.6
AVANTI FEEDS	615.1	511.6	20.2
LT FOOD	244.3	205.4	18.9
AMARA RAJA	1402.8	1181.8	18.7

<b>5 Top Losers</b>			
<b>Stock</b>	<b>07-06-2024</b>	<b>03-06-2024</b>	<b>% Loss</b>
JP ASSOCIATE	10.83	15.4	29.9
TITAGARH RAIL	1208	1415.5	14.6
TECHNO ELECTRIC	1240	1421.3	12.7
DATA PATTERN	2639	2960	10.8
BEML	3966	4391.9	9.7

<b>Top 5 Picks By CNI 'A' Group</b>
<b>Company</b>
VEDANTA
TATA MOTORS
HCL TECHNOLOGY
TECH MAHINDRA
TATA POWER

<b>Top 5 Picks By CNI 'B' Group</b>
<b>Company</b>
TIRUPATI STARCH
SULA LTD
EMS LTD
MINDTECK
HARSHA ENGINEERING

## **Analysis of ELECTIONS and possible guidance**

What went wrong

Mamata managed booths once again seen in high voting

Samidhan Bachao helped Congress

Minority community helped Akhilesh

Finally Arnab goswami has released a 3 minute video where owners of CHATAI said that opposition has given contract to Isreal Co for keeping people at-home and not vote.

Massive money was given to them.

Many countries were supporting opposition as rise of India to no 3 was not acceptable to them

Voters were attracted with fake poll guarantees say Rs 1.20 lacs khatakhat

Narendra Modi failed to announce any schemed for Hindu to bring them to polling booth

Election delay and 50 C heat costed BJP as voting was less

Reliance may not have liked Adani crossing pre Hinderberg valuations

70000 crs Gross sell that in 8.4 bn \$ is outside the bandwidth of FPI as in March to April 20 sale fugure was only 60000 crs

Vested interest was at work

New Modi Innings

Media says MAN with modified mandate hence stock market reacted

No change in defense allocation

No change in railway allocation

No change Infra allocation

However need to check which ministry Nitish gets Chandra will demand AP

Market impact

Exit polls brought back FOMO investors

Do not forget BJP won 4 states

We feel market is safe and will rise again tp test 24000

Pe reached 17 same which was in March 2020

Rsi reached 37 which is close to March 2020

Another 200 to 500 points fall could take Nifty to extremely oversold zone suggesting 10% rebound

Fpi shorts rose to 3.55 lac contracts

3.55 lac contracts difficult to get squared off without 1000 1500 Nifty rally

Markets proved that it has expanded horizon to absorb 8.4 bn\$ selling in One day inviting bigger investors like Warren Buffet

Pick businesses which are efficient to beat the market

Our target of 25800 in Aug will get deferred though we still Hold 24000 target intact.

We will update from time to time.

Final words

If you have faith CNI will keep guiding you as done in last 2 decades. We had guided you in 2008 2011 2018 2020 with precise accuracy. Those who do not believe should stop following CNI.

We repeat FPI does not have capacity to sell 40000 crs in a day. Means one who have status of FPI DII and others had sold on 4th and the same one was buyer in other accounts as retail too does not have capacity to buy 70000 crs. Zerodha did buying of 6000 crs but not 70000 crs.

This means it was obvious manipulation through volumes to create false market.

This is why FPI short covering of 44000 contracts was seen yesterday. They are still short 3.11 lac contracts. Now 44K short covering has led to 2500 points rally then how much rally will happen if they cut 3.11 lac contracts you decide.

We reached 17 PE and our interview was there in public also. We are at March 20 and in next 4 years Sensex will be 150000 now so missing the opportunity will be costly affair.

Rest is your call. CLSA heard raised target to 26800. Blackrock says India will blast. 10 bn \$ coming in from long only global funds. Our target 24000 and 25800 are intact and we will reiterate we are ahead of street even though many critics send crap messages for 1 day wrong prediction. We are neither God nor operators and try to read data. We too have a right to go wrong a day or two. But you cannot erase our 14 years track record.

As such you know all stocks we have recommended. Do not buy stocks without knowing earning potential and destination. We calculate business value in each and every case meticulously and hence our suggestions are based on scientific basis.

That to buy will advise personally for next few days. Please what's up if you want to.

Common mistakes committed is not to buy when recommended and enter when volumes rises and at the peak and then blame CNI. We recommend stocks too early. e g We started recommending TIRUPATI at Rs 99 cmp 170 and will be 100 bagger for sure. But those who bought at Rs 200 blame CNI. No one knows when market correct and if market correct prices will correct. Who knew BHEL will hit R s 224 SAIL Rs 123 and who can blame to those who bought BHEL at 290 and SAIL at 170. Averaging and past profits will show our net cost is one tenth. So stop blaming markets or CNI or you can discontinue with CNI.

From every CRASH is someone saved you is none other than CNI.

Our target 25800 and 28000 30000 32000 and 47000 is intact hence every dip according to us is buy. You are supreme. This is the reason we told you that fresh recommendation till today will not be discussed in Chakry comments though buy calls are coming in Street call as Chakry comments is not for stocks though I have been doing this for your benefit.

Also recommend to use stop losses instead of blaming and try to enter large caps where you can blame market. QW is on 21st and with US massive short Dow will rise til 21st June hence Nifty is also safe.

## Special feature

Analysis of ELECTIONS and possible guidance given by CHAKRY on Wed post-election results is valid for many reasons and I repeat this in Your Masters Voice. There is nothing more to analyses and suggests life goes on and so market. Let us focus on Budget, India growth story and valuations.

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Now let us start the column as usual

Market has tendency to react extremely. On Exit poll day only CNI was in profit booking whereas street ( FOMO ) entered the market at new high and had to pay the price. We have entered in correction and hold positive bias going forward as market will stop discussing the NITISH and CHANDRA effect on Govt and market in 2 days.

We want to be ahead of street once again. We should start investing in businesses instead of stocks for that we need to check business valuations of stocks in all valuation matrix. If you find particular business is cheap compared to various valuation matrix then it is fit case of investment.

Following valuation matrix can help you understand business valuations

PE ratio multiple

EV/IBITDA multiple

Net profit multiple

Revenue multiple

If stock is cheaper on 4 valuation matrix it is a fit case of investment as valuations will catch up sooner than later.

Mechanism of market

Whenever Tsunami comes (current situation) operators keep market extremely volatile as if there is tomorrow. This is the best time for investment. Please Note Sensex crashed to 7200 when LEHMAN happened in 2008 and rise to 21000 in Oct 2010. Again Sensex crashed to 28440 in March end and now crossed 76000 also. Now from 70000 base we can expect Sensex to rise to 150000 in next 5 years which again means 115% up. Unless you believe in directions you will not be able to time the market.

FII are going to stay in India. Just 8 – 10 bn \$ sell out of 600 bn \$ makes no sense. They must earned this much only in options trading. DII which currently 650 bn \$ will be seeing their AUM doubling in next 5 years with SIP rising to Rs 50000 crs a month. Number of investors will rise to 30 crs. This is new thrust which will overtake FPI in India. This is where NIRMALA SITARAMAN was clear in her thoughts that India does not require FPI influence any more. They are welcome and do business in India but do not try to become BRITISHER.

There are massive erosion in many businesses due to globalization. E g adhesive business dying for imported raw materials. Diamonds dyeing for artificial stones. Street retail dyeing for Malls. These people are now migrating to stock markets in a big way which will come as part of SIP or direct investments.

Apart from this, the number of MF will double raising the AUM from current Rs 53 lac crs to over 100 lac crs. There are thousand family offices and 1000+ AIF which manage massive funds though exact quantum I am not aware.

With first exploring the means of fresh inflows which will take markets to new highs, I will discuss the valuations now as it is very much essential to build your confidence.

Market thesis was BJP did not get 273 hence they will be policy paralysis. They will reduce defense and railway exposure. This was broker's creation as they wanted churning without which they do not get brokerage. On 4th June the volume of FPI and DII was close to 125000 crs that is 70000 crs on sell side balance on buy side. So brokers normally may not get brokerage of this kind over a month. So the change of guards to secure their 1 month brokerage in 1 day.

Now see the PE ratio. On Tuesday when Sensex fell 6000 points PE ratio dropped to 17.67. This was the same ratio which we saw in 2018 2020 and now. How 17.67 ? EPS of Nifty for 2024 is 1063. We expect EPS of Nifty for 2025 at 1205. Nifty was 21300 on Tuesday. You can calculate. Media and others will show you PE of 2024 which is meaning less as we are already close to end of 1 quarter of 2025. Hence if we believe in India story then 17.67 PE is the bottom for the next 2 years at least. Only in 2008 we had seen PE ratio of 13 and in 1991 when our country had pledge 100 tons gold. In 2014 before NAMO came to power the PE ratio was 15. Thus we had seen extreme pessimism in 1991, 2008, 2014. 2018 and 2020 though situation was bad the PE was not bad. So going by valuations there is fair indication that the current fluid conditions gave you another opportunity to subscribe growth. We will see Nifty crossing 28000 30000 as fair PE under trying circumstances were also 25 as seen from 33 years average.

We had informed you that even though market fell 6060 points on Tuesday there was no reason to panic and we initiated many buy calls. Apart from PE, the RSI fell to 36 which was an indication that the downside was not much and same day and next day Sensex recovered 4000 points and RSI was back 52. Even on market capitalization to gdp at 1.25 we are not excessive more so when are rising rapidly. We reached 5 tr \$ market capitalization but I am sure are destined to reach 12 tr \$ economy hence market capitalization can also rise to 12 tr \$ to 15 tr \$. Ith India now truly representing THE roaring TEGER which will invite 400 bn \$ FDI and 50 bn \$ FPI investments hence there is no reason to worry on the stock markets.

With political dust settling NITISH and Chandrababu supporting Govt, no change in Govt priority market will have to give higher discounting as there is no policy paralysis. There will be next generation reforms. There will rise in GST and tax revenues which will allow Govt use the excess for the social welfare more which was the cause of the loss of elections.

Govt will try to raise massive funds from following activities which will be used for social welfare the only area where NAMO seems failed. These areas will be

Spectrum sell

Coal Block sell

Land monetization (quickest and furious)

Sell of loss making PSU

Why Narendra Modi will have to spend money for social welfares one need to understand though this will not any negative impact on markets and FPI's. DII will get more SIP for reasons explained earlier. India growth story is unstoppable now. I had visualized this INDIA from last 20 years. In short I would say If INDIA fails the world will fail.

Utter Pradesh muslims were with YOGI when NAMO did triple talaq but this time RAGA promised Rd s1.20 lac credit in their bank account and they lost loyalty to NAMO. At the same time as reported by CHAT AI the fact that Congress used foreign hands to ask HINDUS to stay at home and not vote has dented the voting which has resulted a big loss to BJP. Apart from UP, Maharashtra Hindu ditched Narendra Modi. I can't blame west Bengal as it is not Hindu bastion. Forceful fake voting is regular feature in WB and no one can control. Though we expected massive surge in W B it did not happen. To that extent even our estimates of UP MAHA and WB miserably failed this time.

To correct this, either NAMO has to follow the same tactics and increase social welfare spending or make in voting linked with AADHAR and allow tax rebates to all those who vote. Even make free insurance linked with tax filings. Those who take benefit and do not vote also is doing lot of harm to country's resources and hence do not deserve to such benefits.

The cost of one train in NORWAY is Rs 650 crs whereas our Vande Bharati is Rs 100 crs. Western countries being affected by inflation is looking at India for such goods which India alone can complete and this match with India dream of becoming 835 bn \$ exporting country. I have given just one example where India Engg marvel is at its best. We can export TEJAS, we can export submarine, we can export cars, we can exports riksha and textiles.

Thus I do not think India will have any impact of political situation. No doubt BJP is restricted to 240 but do not mind BJP is only party to secure 240 votes three time in last 33 years. In 2019 and 2024 they had clear majority. They have managed 10 seats on SOS basis as per media talks and took the tally to 303. Chandra can't ditch NDA because BJP helped him to become CM and Chandra is not Uddhav. Chandra will demand special status to ANDHRA and this is not a bad idea. NITISH yes is known for change of guards but he is having just 12 seats and he can be throw out any time yet NDA will survive hence there is no political threat. So far everyone is focusing on NITISH and Chandra but no one said what damage AMIT the No 2 can do to INDI. Lady Don from WB will be of no use to any one as she is busy and happy with her state. INDI can't make her PM hence she can't allow RAGA to become PM. Soon there will be cracks in INDI.

With this I thing I have summarized everything and hold that India being only country doing 8% GDP will have to trade to 25 PE sooner than later. At 25 PE we see Nifty at 32000 and this will see the light of the day.

In 2020 those who invested made 10x kind returns and now in 2024 those who will invest will make 10x kind returns. The new criteria is payback and I feel following companies have smallest payback in their businesses.

GTV Engg

Tirupati Starch

AK Spintex

Hence those who want to buy quick multibaggers these three companies will rock. Please see TRITIN Valves once CNI research at Rs 150 now trade at Rs 2800 and will become Rs 5000 also. GTV is next Triton valves. When I first spotted this co the net profit was Rs 80 lacs now the net profit is Rs 3 crs a quarter means annualized Rs 12 crs and the day is not too far when I see profits of Rs 16 to 20 crs. 70 Rs EPS and yet the price is Rs 450 means either I am idiot or investors are. I will write after 3 years and show you the price of Rs 3500 and that time remind me please.

**Other great businesses are:**

Mafatlal, Forbes, Eureka forbes, KPT, GLOBAL, RDB, Calcom, Vipul, BSE, GEPIL, GMDC, RVNL, RAILTEL ,BHEL, TAPO, TAMO, SAIL , TACO, Vakrangee, Swiss, Shivam, Akar, M K, CTE, Mindtek, Gulf Petro, Investment Precision, Andhra Cement, Den, Shilpa Medi, Multibase, Eimco Elecon, BBTC and Shetron, Archies, Sunil agro and DH India etc



## Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	08/06	18,366.95	-109.85	-0.59
Singapore	Straits Times	08/06	3,330.77	-0.04	0.00
United States	NASDAQ	08/06	17,133.13	-39.99	-0.23
United States	DJIA	08/06	38,798.99	-87.18	-0.22
United States	S&P 500	08/06	5,346.99	-5.97	-0.11
Japan	Nikkei 225	08/06	38,683.93	-19.58	-0.05
United Kingdom	FTSE 100	08/06	8,245.37	-39.97	-0.48
Malaysia	KLSE Composite	08/06	1,617.86	+3.13	+0.19
Indonesia	Jakarta Composite	08/06	6,897.95	-76.95	-1.10
Thailand	SET	08/06	1,332.74	+4.33	+0.33
France	CAC 40	08/06	8,001.80	-38.32	-0.48
Germany	DAX	08/06	18,557.27	-95.40	-0.51
Argentina	MerVal	08/06	1,519,209.00	+15,480.62	+1.03
Brazil	Bovespa	08/06	120,767.19	+2,131.61	-1.73
Mexico	IPC	08/06	52,977.32	-1,499.93	-2.75
Austria	ATX	08/06	3,658.69	-13.25	-0.36
Belgium	BEL-20	08/06	3,900.39	-16.58	-0.42
Netherlands	AEX General	08/06	923.71	+0.35	+0.04
Spain	Madrid General	08/06	1,128.82	-3.25	-0.29
Switzerland	Swiss Market	08/06	12,254.76	+13.51	+0.11
Australia	All Ordinaries	08/06	8,112.80	+38.51	+0.48
China	Shanghai Composite	08/06	3,051.28	+2.49	+0.08
Philippines	PSE Composite	08/06	6,518.76	+8.90	+0.14
Sri Lanka	All Share	08/06	12,314.38	+3.60	+0.03
Taiwan	Taiwan Weighted	08/06	21,858.38	-44.32	-0.20
South Korea	KOSPI	08/06	2,722.67	+33.17	+1.23

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