

Editorial
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Midcap is seeing some correction. Good opportunity to buy. Multi base corrected from 315 to 276. Resonance also looks good at CMP. Can add investment precision available at dirt cheap rate.

HDFC bank accumulation stage is going on. Buy with conviction. Harsha engineering study company. Stock has been an under performer but looks like run has started in the stock. Keep a close watch.

AK spintex can post good result. Add stock. Just 5 days left before the event. Market can be volatile. Hold with conviction our nifty is intact.

Reliance may cross 3200 soon.

I was on global tour for three reasons. One CNI business development. Two study of global products like Swiss Military and Global Offshore vessels at Norway and three fund meeting to check India mood and weightage.

I saw Swiss Military products in many E U countries in show rooms where response was superb. I saw their suitcases, watches and other products. I was impressed.

Textiles Defence and Railways are the three sectors which will in top priority. Indian railways are better than Norway Denmark and Sweden and 60% cheaper hence the EU and western countries are looking at India to supply them trains. Imagine the domestic consumption getting converted into EXPORT opportunity.

Same thing is with defense. Russia the largest producer is busy with WAR hence cant supply. China no one trust. With growing sense of insecurity every EU country wants to have defense equipment from India which has made stride forward in production.

Tirupati Starch one must accumulate in thousands as this is the only co with 1 to 10 efficiency ratio as against normal 1 to 4. You can see our presentation in ICAI which was given in R I section. If I am blessed I will by at least 5% equity of this co as it fits in all criteria of investments. If you want to bet big it is today as company may post superb results like MAFATLAL.

We should buy stock when there are sellers.

Change of the week

	01-June-24	Rise /Gain
Sensex	73961	1420 ↓
Nifty	22530	419 ↓

Net Investments (` Cr)

	FII	DII
27-May-2024	696.1	922.6
28-May-2024	2134.5	3231.6
29-May-2024	(4311.4)	5233.7
30-May-2024	(1122.0)	3432.9
31-May-2024	1613.2	2114.1
Total	(1200)	14932

Turnover (` Cr)

	FII	DII	Combined
31-May-24	2,05,719	1,33,491	3,39,210

31-May-24	Advances	Declines	Ratio
BSE	1732	2099	0.82

Last one decade experience suggest whenever street talk big correction ahead of expiry it never happen. This is comparable to women's period times every month where exchanges have been plugged with the rolls pain.

Today probably is the last day to buy in dips.

We believe 350+ and market with no leverage can rise to 25800.

Rest is your call. Calculated risk can be taken once when you take for 365 days.

My call is to buy GLOBAL OFFSHORE, TIRUPATI STARCH and AK SPINTEX and wait for Govt announcement.

I was saying 600 bn \$ exports is target some firung broker said 855 bn \$ is the target. So you decide how quickly India's trade balance turn into surplus.

We are heading for 47000 with free convertibility before 2030.

We will close in Green today, tomorrow expiry will replica of last Thursday and Friday and Monday will be BOTTLE green for positions buildings for risk takers and WED we will see 23500+ rewarding day.

WHY..?

No leverage

No one long though feel NDA will get majority

50% believe NDA will get less than 300 and short

FPI sold 9 bn \$ and will re-introduce all after 4th June.

We will see madness on 4th JUNE.

So today is the day to take RISK and enjoy. We cant expect to have low hanging fruits any more. You will have to climb higher henceforth.

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5 Top Gainers			
Stock	31-05-2024	27-05-2024	% Gain
ZF COMMERCIAL	17431	13551	28.6
TECHNO ELECTRIC	1421	1163	22.1
KNR CONS	318.2	271.8	17.0
TITAGARH RAIL	1415.5	1230.9	14.9
EMAMI	624.1	544	14.7

5 Top Losers			
Stock	31-05-2024	27-05-2024	% Loss
MTAR TECH	1800.9	2147.7	16.1
INDO COUNT	332.9	389.9	14.6
DISHMAN CARB	162.1	188.9	14.1
MAHA SEAMLESS	659.2	762.9	13.5
EDELWEISS	71.6	81.7	12.3

Top 5 Picks By CNI 'A' Group	
Company	
SAIL	
TATA STEEL	
TECH MAHINDRA	
TATA MOTORS	
JIO FINANCIAL	

Top 5 Picks By CNI 'B' Group	
Company	
AK SPINTEX	
EMS	
EUREKA FORBES	
NILE	
INTEGRA ENGINEERING	

Before expiry No Modi says street mongers and they will say after expiry only Modi. This has been happening at every expiry time where we hear 10% market correction and Mr Market does not like this. Even this time Mr Market will not like it.

Today is expiry and it should be in green as no one from biggies will remains short though followers will.

We have shared 350+ time and again. Now some hard facts. Kolkata gone long on RIL and Birla gr whereas AHD gone long on RIL and ADANI.

HNI are all long, DII are all long and retail and FPI are full in cash. This is enough to explain you what is going to happen.

Last but not least, will go out in meditation just ahead of your son's marriage? Our PM is doing this why try to know yourself. He is confident and rest of opposition is not because they are seeking ban on his silence also.

Tomorrow we are making 21 pages presentation at ICAI at all over India level where all CA's as well non CA's can join. You can also join the webinar and take the link from the picture posted on tweeter of our CMD.

This include many large caps their journey and midcaps with probable candidates of multi baggers.

AK Spintex and TIRUPATI are special cases to get mention in the presentation as they are cheapest and most efficient companies on facts and hence probable multi baggers. I do not about your conviction and desire to be Part of wealth creation but those who bought many stocks have made big big money.

I feel Nifty will test 23500+ on WED so remain long.

Bhel which was hit till 207 in last crash has now stabilizes above 290. The day is not too far to see it crossing Rs 450 as it is no more a loss making PSU. May be we will see Rs 2500 crs IBITDA in Q1 now as execution of news orders are under pipe line.

Someone met GLOBAL OFFSHORE management unofficially in SINGAPORE this week and reiterated out find on facts and circumstances. I say hold till March 25 and see the magic. How many of you know that we had buy on Cummins at 456 now 3850 so have patience and hold. This will be biggest magical turnaround case.

SAIL announced 97000 acres land bank and even you give just Rs 2 crs a acre then the value of land bank alone is 2 lac crs which I was presuming at Rs 50000 crs earlier. Hence SAIL is no brainer. It has to test Rs 600 and 2000. Demerger will be announced post elections or post budget. With 39% positions rolled over I see SAIL at 207 in JUNE.

Read detailed analysis of market in YMV and hold your investments as we feel 350+ is certain.

Special feature

Last week market ended with extremely bullish note. Global markets were quiet high and so the domestic markets. Street was enjoying the rally. But suddenly many factors came in right from Monday and Nifty crashed by almost 500 points during the week and remained in aligned with TV media calls to sell, sell and sell. The only preaching was this is now SELL on rally market. So it is interesting to know what has changed in 48 hours to see everyone to become bearish and sell everything including the B gr stocks which they had accumulated over years. In short there was tsunami.

Yes, from Friday one Hedge Fund was seller in the market and its name was MARSHALL WACE. The fund manager was removed few days back, may be for front running or some other reasons which I am not sure. His bets on FMCG long and banks shorts failed miserably. Anyway, as a result the fund had decided to exit 1.5 bn \$ stocks. I do not know whether they will be reinvesting in other stocks. Apart from closing positions they had to liquidate their holdings in PSU stocks.

So far it was okay. Market has capacity to digest 1.5 bn \$ and it was done till Wed and the pain of fund selling was over.

But market drivers always have a plan to create artificial markets with the help of media where they are owners also. Media is so badly famed as they made a story that Govt is going to tweak rate rates which the FM had to clarify saying this is fake. F M in fact, also warned that they should have consulted the FINMIN before running this kind of fake story. Anyways, these media houses are so powerful that no one can dare to touch them inducing FINMIN.

This was the sowing of correction and this had to continued next week so that stop losses gets triggered, people turn bearish and write bearish bets, sell cash stocks and this all gets converted into panic mode when margin call is triggered which we saw on Tuesday where everything was down so badly as if market is finished till 4th June 2024.

Do you remember sell off in small caps and mid-caps when SEBI said there is froth and manipulations in the market in March 2024. Yes, market corrected badly on this statement but recovered smartly to test new high and this will be the case every time because we are in the bull market not bear market. GST collection of Rs 2.10 lac crs tell us where we are heading. Here I would like to remind you that I had placed my bets on Rs 2 lac crs + GST though I was not sure of so early. In other words we are growing rapidly beyond the estimates hence we may touch 8.5 GDP in 2025 itself.

Come Monday another agency came heavily on NBFC where norms of NPA were changed irrationally. Even though CLSA had to issue a report saying this will not have major impacts on NBFC, fact remains this will not only damage the margins but also the sentiments. CLSA will do what their clients wants them to do. We have seen them going wrong in TATA MOTORS, TATA POWER, BHEL etc hence at CNI we will not go by what CLSA says but will stick with what CNI believes.

Was it is not enough, a leading industrialist Harsh Goenka twitted that many Kolkata based companies are inflating profits and showing bogus earnings hence there is fraud to that extent. H G also belong to Kolkata and his companies are also showing rise in profits so does his statement is applicable to his companies as well..? Street has to decide. To my mind there was no need of HG commenting on any companies without evidences. Some analysts were so quick to release their video's clearly stating that HG says there is big fraud in market and markets will crash. The timing of video clearly suggest some synchronization of bear syndicate. And if that is true then HG statement was at the behest of someone who was interested in market crash.

Recently I saw some clips of The Big Bull where M M tells the editor of newspaper that they should expose the H M where S D comments that if she does this then M M will be beneficiary as he is short trapped in the market. This could be applicable in given circumstances also.

Visible impacts were not seen as there are now 16 cr investors who bail out even 1.5 bn fund from their selling hence the bear's had to stretch it forward and they got SUPREMO of bears from DUBAI who on record said many stocks will crash 90%. Well, even when V K said in March that markets will crash 25% nothing happened then how this could so called bear will have such a massive impact on the market. 90% correction are they in their senses. Sebi must realize this is froth where no justification was given and media brings such idiots only when they want to show movie called THE BEAR though it always become a flop show and media gets more and more defamed.

Next came a reputed newspaper which allowed to print an article of the bearish analyst which said on record that Nifty will fall 4000 points post-election.

Also released was fake video where it was expressed told that phalodi Satta bazar had predicted just 180 seats to BJP? All fake. We are in touch with few persons from phalodi and getting updates on daily basis. We will deal with BJP status little later in this article with some very interesting factors about voting and how things are shaping. We had drawn your attention earlier also where Dr Prabhakar's video was in circulation who had predicted less than 230 seats to BJP. This matters the most because Dr Prabhakar is husband of Mrs Nirmala Sitaraman the Hon Fin Minister of India.

Nobody in fact knew the real reason for market fall. Even the name of Quant and SBI MF surfaced in selling PSU stocks. Again not correct. Both have raised funds recently and if they have to sell shares they do it in bull market not as distress sell and that too AI programmed sell which never affect market selloff. Hence even this is not a reason for crash. In fact, many shrewd HNI have been kept adding desired stocks in the fall. This clearly suggest that entire drama of market fall was pre-engineered and traders were scapegoats.

In last 40 days MF had raised cash levels which has crossed 6%. They can hold this for short term but not too long. 400 bn \$ is FPI money is waiting in the wing and they will step in on 4th June 2024 and they do not mind giving 10% premium for the entry.

Now let us come on results scenario

Do you know what was the idea to put entire TN in 1st phase and some states in 2nd phase..? These two phases are the states in which BJP was weak so naturally BJP will remain at a low probability of travelling towards 350+. Again the low voting percentage is against BJP in many states like RAJ, GUJ, UP and MP etc hence extrapolation of BJP getting 300 or less seats quiet natural. BJP may take away 12 to 15 seats from TN alone hence any subsequent losses will be set off. Even WB BJP is likely to make big strides forward. They may win 9 seats extra. Thus they have created 20 – 23 seats extra buffer to offset the losses elsewhere. UP will also gain over 2019 tally.

Third phase which was in BJP bastion the equation changed and expectations came that BJP will win 91 seats out of 93. We did live channel checks post this voting and found the bets as under

290 seats no rate

300 seats 15 paisa

315 seats Re 1

350 seats 350

This is BJP alone. Whatever is the result 50 seats will be added from NDA alliances.

No 2 still predict that BJP will not settle anything less than 400 and if does not happen on 4th June they will do in 6 months.

Markets have created excellent opportunity to subscribe to growth (GST collection is an indicator) hence we feel it is a buying opportunity. In any case if everything goes wrong you may lose 20% but if things goes as expected you win 30 % so the ratio of gamble is in favour. You all are masters of gambling and what prevents you from not taking bets you all know it better. Keep away from social media for next two weeks to enjoy life and stock markets.

It is common sense that market are in bull run and every time we see good correction market ran up and crossed new highs but not before cleaning the system. The dirt is in F and O as majority of the traders buy put-call to become overnight millionaire. They are controlled and corrupted by media and social media by and large only because they do not use their brains for self-belief creation. Hardly .01% investors shun their eyes, ears to non-sense stuff and keep of tab on value buying. In just few days they become 25% rich as former comes for buying and later starts booking profit. Mind it 25% is not the profit of entire year in A gr shares. Smart investors earns smart profits. I had made this statement when Nifty was at 15400, at 17100 and 21800 and now at 22400. I will repeat this when we will see Nifty 25000+ in June end. And today Nifty shorts crossed 1 lac contract and even RSI dropped to 41 hence big fall just ruled out. I see 10 to 15% smart rally in next 50 days.

Bears are throwing pea nuts on caged tigers. Be wise, stay invested and keep in mind if NDA gets seats below 353 (2019), they will be pushing next round of reforms vibrantly and July Budget could be path breaking. FPI shorts are at life time high at 1.63 lac contracts, retail short at 2.04 lac contacts and RSI at 37 suggest 10 to 15% rally in Nifty and the man behind this is

none other than No 2 who wants Congress related FPI sell and exit India. They made 25% whenever they bought Nifty big and now another 25% is due to them. 25800 is on cards before June July end.

First sector which we see which will blast post 4th June is Textiles. PM already on record said they wants 600 bn \$ exports. This is not possible without PLI. So immediate PLI scheme announcement is on cards. Which stocks should you focus... I am not in for ARVIND Mills as this is over owned stocks and belong to the Ocean category. Hence my focus will on the Ponds and there I see RIBA, LAHOTI, LOYAL and AK as best bets as they are not only undervalued but also very at very attractive valuations from where chances of going wrong is absolutely nil.

GST collection is also pointer to massive rise in per capita income. This should drive consumption theme in crazy manner and for me only stock which I want to focus is M K EXIM. Recently we had visited DENMARK, SWEDEN and NORWAY and found that cosmetic we are using from M K are 90% cheaper and we may see massive price hikes which will bolster M K Balance Sheet many fold and it will turn into a golden multi bagger.

AK SPINTEX we have included on show case in the ICAI presentation as co have 28% ROCE, 24% ROE, PE 6 and vertical growth year after year. A perfect multi bagger on any criteria. The copy of presentation will be uploaded next week.

GTV Engineering started moving immediately after coming out of trade to trade and crossed Rs 500. Very soon should cross ATH and if results we believe come the way other ENGG companies delivered then should be in 4 digit. Food division turning net positive and power the deal is round the corner. At 150 you can't own even the shed of ENGG co forget the entire business.

I have been repeatedly saying that we should bet only on micro-cap companies and not large companies. Big hands create big demand and we have to wait till big hands enter. KPT we spotted at Rs 550 and now crossed Rs 900 after super results and Rs2.5 dividend and CNI members enjoyed the ride. We feel stock will cross 1200 1500 where you can take 50% profits and rest hold for 10 years in zero cost portfolio.

