CNI Publications; Weekly Plattern

Weekly summary

Editorial

Friday was the first day of the new settlement and it was lackluster as many fund managers were absent and there was no volumes. However there was good activity in the cash counters.

Nifty crossed once 24080 as expected yet no short covering has happened rather fresh shorting was seen. Reason Street is extremely bearish with Nifty 19700 target. RSI though stands at 36 suggest market cannot fall. Total shorts as on the expiry day were 2.29 lac contracts out of which FPI were 1.54 lac contracts.

We are the cross roads of Budget. Many feels India story is over hence 19700 coming. Many feels FPI have no interest in India. I feel otherwise. This kind of market happen in every 12 quarters. Post this new rally start and new market comes.

1000 to 1200 is minimum tick size of operations hence I see Nifty crossing at least 25000 25200 in the JAN settlement. JAN settlement is on 30th and Budget is on 1st hence there will be only 1 trading session between expiry and budget.

Monsoon was brilliant which picked up crops in a big way, tax collection robust, market borrowings will be lower and fiscal deficit will be further lower. Surprise pack could be reduction of personal income tax rates to boost spending which is long awaited.

Exports sops and PLI will be further heightened. One aspect people forgetting is sharp uptick is coming in consumption due to dole outs in elections in every states. This will uptick economy. Textiles will be major beneficiary for exports, bangala desh and lift in gdp. Textiles stock will be on radar.

Vol -1, No-I, 04 Jan 25, 12 pages

Change of the week

	03-Jan-25	Rise /Gain
Sensex	79223	530 ↑
Nifty	24004	192 ↑

Net Investments (` Cr)

	FII	DII
30-12-2024	(1598.7)	2173.8
31-12-2024	(5351.0)	4546.7
01-01-2025	(597.4)	1690.3
02-1-2025	1663.6	22.1
03-01-2025	(4227.2)	820.6
Total	(10,110)	9251

Turnover (` Cr)

	FII	DII	Combined
03-Jan-25	1,05,312	1,75,507	2,80,819

03-Jan-25	Advances	Declines	Ratio
BSE	2032	1965	1.03

Dividend will be encouraging sign in next three months and so also the Govt spending. Budget allocation will be happening for the next three months. This will trigger rally in PSU stocks.

Another surprise pack could be banks. PSU banks could be large beneficiary. Govt may raise the FPI ceiling from 20% to 49% and if that happen SBI will be the first counter to rise 100%. Also we may see rise in holding in private banks from 25% to 51% then only interested industrialists will big for BOM, JK, Yes Bank, IDBI etc which will also help promoters like HINDUJA and KOTAK which own banks.

Some experts maintain that India will not grow now at 15 to 20% as it has done in last 10 years, they also believe that India GDP will not touch 5 tr $ even in 2027 and I have answer to every arguments and clearly understand the bears writing to justify their short positions. I have been doing this for last 20 years and never failed in my assessments.

In my view there is no reason to panic. Nifty was 12,000 in 2020 Jan, pre covid and grew @ 12% every year to 24000. So even if we do not go by conventional earning model and apply same 12% rise ratio then we should see Nifty at 48000 in next 6 years which is close to my estimate of 47000 in 2029 which was though based on earning growth model.

The 30 year Nifty historical returns are at 11% for Nifty. So even on this scale we will have good returns if we stay long invested.

Earnings growth was good for 4 years. It is widely feared that earnings growth is moderating & Nifty 500 topline growth is struggling at 7% for last one year and bottom line at 12%. However to my mind this will get corrected be default as weak earnings companies go out of Indices and strong enter and the stream is maintained and this has been happening over last 33 years. Recently also some companies have gone out and stronger one entered Indices.

The NIFTY EPS has risen from INR 430 (Jan 2020) to INR 950 (Jan 2024) in 4 years (CAGR of 22%). Currently it is 1090 (2 quarters) . Means even after earning concerns the growth in EPS is 14.70% This proves the point that there will not considerable slowdown in earnings and if any that will match by reduction in bank rates which will happen in 2025. Street though trying to project that markets though have accounted too much exuberance & have failed to recognize that this EPS growth is not sustainable. They always try to support the current market scenario rather than futuristic workings. We have estimated EPS for 24-25 at 1205 and we fairly believe there will not be any disappointment. Q2 aberration will be down with in Q3 as excess rains pushed the production in Q3.

5 Top Gainers			
Stock	**03-1-2025**	**30-12-2024**	**% Gain**
ITI	457.2	327.1	39.7
LLOYDS METAL	1439.1	1181.1	21.8
GMR POWER	129.8	109.7	18.3
SAREGAMA INDIA	551.5	467.1	18.0
ASHA PURA MIN	443.3	385.5	14.9

5 Top Losers			
Stock	**03-1-2025**	**30-12-2024**	**% Loss**
JAI CORP LTD	225.6	317.0	28.8
TRIVENI ENG	446	499.3	10.6
TVS HOLD	9712.0	10807	10.1
ETHOS LTD	2892.9	3210	9.8
BALAJI AMINES	1779.9	1945.6	8.5

Top 5 Picks By CNI 'A' Group
Company
HCL TECH
SAIL
NALCO
RELIANCE
TECH MAHINDRA

Top 5 Picks By CNI 'B' Group
Company
WHEEL INDIA
EMS
OCCL
KRISHNA DIAGNOSIS
BLUE JET

Next street assumption is that discretionary revenge spending post covid & finally the govt capex increasing 4 times to 11 lac cr. All that is behind us now. Is it not so sweet to assume that FY 25 Budget will not Rs 11 lac crs capex..? How strange. My call Budget size will cross Rs 60 lac crs, revenue 30 lac crs and capex 12 to 13 lac crs. With this kind of numbers there will be direct connect with NAMO exercise to take the GDP to 8% growth and India to 5 tr $.

Indian corporate profits rose from 3 lac cr to 4 lac cr ($47 BN) between 2010 to 2020 so hardly 3% growth. However from 2020 to 2024, the profits quadrupled to 15 lac crore ($ 180 BN) Private Banks Ironically beat even these numbers yet very few are interested there but now it is catching the fire. I estimate that Indian corporate profits will rise to Rs 20 lac crs with Reliance and SBI close to drawing Rs 1 lac crs profit this year. This number cannot be underplayed in any case scenario. What market also ignored that maximum addition to profits is also coming from 953 IPO companies which will further grow hence their giving example of Hindustan Level is useless and misguiding.

Street says Indian valuations are really high (Beyond Nifty50). In Sept 2024 peak, 50% of the Nifty 500 stocks were above a PE of 50. This is unlike anything seen in any major financial market globally. In 2008 at the height of GFC bubble, only 15% of the stocks in India were above 50 PE (When nominal GDP growth was 15% plus). Well this is bear case analysis. To my mind Indian PE is the lowest at 19 which was 72% premium to 11 in 1991 when we defaulted. As seen above since EPS is growing at steady pace we should respect the average PE of 33 years that is 25 hence current 19 PE is cheap in my view leaving 50% upside in the Nifty targets.

Next street argument

“Why are FIIs selling? Invert the question - Why are domestic investors buying? The debate of FIIs selling is a distraction. The bigger concern is significant promoters selling, private equity selling & listing via insanely priced IPOs & QIPs. That is the real red flag. Who is the conscience keeper here for domestic investors? Forced buying doesn’t get the right price. In 2024, almost $35 BN has been sold by FIIs. Another significant amount of appx $30 BN has been sold by Indian promoters & private equity firms via QIPs & fresh issuance. Hyundai raised $ 3.3 Bn overnight & we are very happy to let them walk away with it when across the globe, auto companies are at single digit multiples. When Zomato says that they will get the foreign capital to below 50%, that is like taking money out of India. Why don’t we question that? Why are you buying these stories with no serious profit prospects? You always have a choice. “

Why did we not raised eyebrow when FPI brought 8 lac crs. ? The capital growth was seen across the board whether it was FPI DII HNI promoters or retail. Hence every investor has right to remove some money. Of course I am always against the IPO where company does not get money but that is investor’s problem. Now the money have been cashed by private equity, promoters, DII, FII are coming back to market and this should not be reason to access markets. Current consolidation is the result of this alone but we failed to understand SIP is getting Rs 25000 crs inflow and that means we will get 35 bn $ in a year. This is equal to FPI selling. So matching math is done. Now what happen if the selling stop by flows rise to 70 bn $ markets have to run again.

Long term, the markets will behave the way they always do. Take time to absorb this. Indian market returns are likely to be 12% appx in the long term. Micro caps will deliver the highest returns due to ownership pattern. Windson, AK Spintex, Arihant Foundation and Ravindra Energy are classical examples. Sudden earnings growth with smaller base will create demand supply mismatch the prices will sky rocket. Hence the maximum risk should be taken in this segment though the love towards large caps will not evade for sure and they will have to go with market bear theory.

Indian markets are passing the pass. They shorted IT and bought battered stocks like TAMO BHEL and SAIL. Why this happen..?

They shorted 2 lac contracts of Nifty and how do they cut it..? So be bearish. We have habit of following firung and we are doing today also.

If they say bearish we become bearish. Currently markets are oversold and they have massive short positions. This is unlikely to cut unless Nifty rise 5 to 10% % so keep rotating strike from one sector to another and try to cut shorts and build longs.

They sold auto banks metals and suppressed prices and Indian shorted at the bottom. Now they are buying these stocks and shorted safe IT and tomorrow they will sell another safe run up sector health care.

This will continue till the time they become fearful like Indians and then 10% rally will come. This cycle I have seen at least 50 times in my life.

Anyways it will not help you and hence I will leave it here only.

We gave buy in Nifty on Monday for 150 it was done though it corrected again and closed in red. Again when it opened 140 down we gave buy in Nifty on Tuesday for 150 and it was done. This is the befitting answer to all idiots who does not understand markets. We can advocate daily trading but this is not our culture as you ultimately will lose money like what happened on Monday.

Lahoti made high of Rs 49.30 and did not hit upper circuit at 49.55. Just because had it hit upper circuit then selling could have stopped. Buyers want at least 10 lac shares and in last 5 days they could buy only 3 lac shares. Up and down is done so that they can buy. Tom they may buy till Rs 51 52 and then again leave the counter. Buy in dips. This is next WINDSOR in making for sure. Value unlocking, textiles advantage and now power to its benefit could make ideal candidate for HNI and heard they have approached 2 HN's who had taken WINDSOR and RAVINDRA.

GLOBAL offshore got BSE approval. GLOBAL signed SUN for 10 vessels as per sources. Global signed 2nd vessel. Now the worst is behind us. We can expect rs 15 to 20 crs PAT in March with 2 vessels in place and Rs 300 crs + in 2026 due to 17 vessels. Now you decide what you want to do.

Shetron DH India National TIN and AKAR remains our top picks apart from Lahoti. What value unlocking will happen in LAHOTI will not be explained like AK SPINTEX and WINDSOR but will happen. Hence holding LAHOTI will be beneficial to you all.

After MALAIKA ARORA joined as brand ambassador of HAIR colour co STREAK and CLSA report that Indian shampoo penetration will improve from 40% to 80% has huge head up for M K EXIM which is there not only in shampoo but also in colours now will make the sun HEY. You must add M K with aggression now as we can see clearly effort of price distortion as their holding is now almost zero. Stock will report super numbers due to festival season and consumption. Where would you get debt free company with 35% IBITDA margin at such distress valuations..? ITC report 36 % IBITDA margin and PE is 30 whereas M K is 35% IBITDA and PE is 15 16 which will get further diluted and with very low base of Rs 100 crs as against ITC there is chance that this co will go in 50 % IBITDA margin club.

Consolidation when get converted into rally no one knows hence buying when stock is available is the best strategy. It is good that weak markets giving exit to weak hands to strong hands.

FPI shorts 2.22 lac contracts now. SPRING is pressed wait for its release. Above 2 lacs always rally triggered in the past. Artificial markets will not sustain for long. EVEN RSI is at 31 close to oversold state. Many stocks will become 5x to 10 x in 2025.

FPI cut just 31 K contracts and Nifty was 440 up. They are still short 2.01 lac contracts. Watch it. CHINA epidemic news was fake. Dow will rise 700 points today.

Buy only cash stocks till March 2025. F and O stocks dare to enter only above 25000. Focus on behaviors of the stock. Wherever lower trades are done to misguide investors are the biggest jockey of long calls. Only in micro caps you can expect 10x possiblity like AK Spintex and Arihant foundation. NO large caps will be 10x. Yet if you want to add large cap then add ORCHID PHARMA for Rs 2500 in 2 years.

In Cash stocks look at following

Hindustan Tin

Shetron

Vipul Organics

Rdb Rasayan

Emmbi

Hitech Corporation

CIFL

Tirupati Starch

Akar Auto

And

LAHOTI

These for time being. Others we will specify soon. We hold long on all recommended stocks.

Special Feature

FPI always act month wide. Some months they sell and some months they buy. The biggest mistake committed by Indian investors are looking at FPI numbers daily to decide market trend. I can understand this been done by brokers as they always decide on the basis of flows. Else why would some brokers change their tone from 27700 to 21000 and from 23000 to 27000? Their reports are also issued as per their orders. If they have buy orders their research wing will downgrade that stock and vice a versa. They always claim that their research wing is separate than broking wings hence the guidelines are not applicable to them and even policy makers seems comfortable with this though the same rule is not applicable to other.

Markets are zero sum game where two major players play very important role that is FPI and DII. FPI have AUM of Rs 74 lac crs and dii have 67 lac crs so we see every day FPI sell 3000 crs and DII buy 3500 crs. The balancing figure is from HNI, Promoters and retail.

https://www.fpi.nsdl.co.in/Reports/Yearwise.aspx?RptType=6

From this link we can see FPI sold shares in 5 months and bought in 7 months. Jan April May Oct Nov were the months of selling and rest 7 months buying including Dec 2024 where Rs 15446 crs have been bought.

From this you can drive your own thinking instead media selling you story that FPI have sold Rs 1.25 lac crs in India and are diverting to USA due to $ rate. From the same link also look at Rs 165000 lac crs brought by FPI and kept under Debt which happened only after India debt was included in GLOBAL MSCI index. Interestingly this is net amount after removing debt of Rs 117000 crs in just 2 months Oct and Nov.

Therefore treating FPI guilty of market fall is completely baseless. Now we will explain this in other way round. Time and again, we have been drawing your attention to Sept 2021 where FPI had sold Rs 2.80 lac crs that is equivalent to 35 bn $. Who bought this and from where the funds came? Why FPI sell was triggered then and who?? FPI are the best and well equipped institutions which understand the impact of global events and long term vision. In other words they can see 24 months ahead than us. Then why the sell??? This question is equally important even in today's given set of circumstances.

Can anyone explain to us how 180 FPI are having same address at Mauritius? What does it mean? Authorities must have satisfied with single address of 180+ FPI but certainly this is questionable. This raise the very integrity of FPI. There are many FPI who lend names for fees. What does lending means? Means any corporate house, any HNI , any big operator or any promoter can hire the name and park their own shares in those FPI names for annual fees. Ahmedabad based operator was found parking this positions in such FPI. Some operators also known in parking positions in DUBAI based FPI's. Also recent operator who shifted his base from India to Dubai is also known for parking trades. Promoters also use such accounts for showing QIP and then keep selling shares later which has effectively brought down curtains of such companies.

There are various reasons for this. One of it could be cash trades like dabba in common parlance. Another could be misusing the notion that retail and HNI follow FPI names. Such trades always happen through bloc deals or QIP. Except CNI which refuse to follow over owned stocks, 99% of the street feel comfortable in following these big names. It is not that all FPI trades are name lending. There are genuine FPI also. We would put the ratio of genuine and name lending at 60:40. This is not true in case of DII due to strict regulations. However PMS and AIF are used as umbrella for domestic parking.

One rule which we would like to bring before you that no broker allow to buy you more than 10% of the volumes in that script. Where is that rule? Can anyone share with us as we, even after 20 years research, could not find existence of any such rule but it is in existence every day? Let us say if I have to buy 1 mn Reliance at 9.15 from my own money can I buy it? I do not know how long it will take to see 10 mn shares volume. And why such rule? If there is such rule then why it is not implemented in scripts which open in upper circuit? No one will have answer though it is implemented at brokers level who themselves do not know under which regulation? This is also require artificial volume creators to meet the guidelines.

Coming back to main question why would FPI sold 2.80 lac crs in Sept 2021 when Nifty was at 15400 and they very well knew that Nifty will be 25000? Even today why are FPI selling when they know Nifty will be 1 lac ? As per veteran Nifty will be 1 lac as per CNI 47000 to 60000 based on current earnings growth. There is no rocket science behind it. Another example where from Adani enterprises shares came in selling at Rs 4000 when 96% were closely held? There is no written theory or explanation for this but this is happening for last 2 decade.

Can this be explained through interesting findings? Decade back JP Associates did QIP at Rs 72 or 82 we do not remember exact figure but stock never seen that price again. It kept on falling. At Rs 25 we saw a news headline on wire channel that big bull bought 25 cr shares at 25 and yet stock fell to Rs 1 or below. If this rationale you can understand then you can also understand why FPI sold Rs 2.80 lac crs and why Adani selling came. How it works. If a fund buys 1% + stake the name come in bloc deal as it is mandatory to report all trades above.5% stake deal. But the seller name never come as selling come from say 5 different accounts all below .5% stake. As it is customary fashion to see who is the buyer more so if it is FPI no one bothers who was the seller. In a fix match buyer and seller are same (through different accounts) except for the fact what they want to show you is displayed. We repeat not all are matched trades or fixed matches. There are genuine bloc deals also but they are above the board. Else the entire industry will be redundant. It can be at the best called as circular trading but since done in FPI accounts no one can question but if it is done by some individuals it is violations of law.

Having explained this, we would like to bring to your notice that in Sept 2021 there was more than Rs 4 lac cash available in system whether it was in DII, HNI and or corporates known in street drivers. Markets had run up sharply from 12000 to 18000 hence profit transfer had to happen hence lot of churning happened from FPI accounts to domestic accounts. Again this is happening in 2024. 5 months buy and 7 months sell clearly indicate that else no one will be living with a third concept of short term bearish and short term bullish. Earlier we used to hear short term bearish but long term bullish. Now Jan Feb bearish march April bullish Oct Nov bearish Dec bullish. Even sharp traders can't change strike so quickly. Options is mostly used for changing hands which suddenly becomes visible when volumes rise from few lacs to few crores for no reason. This is also used effectively t control markets.

Now just imagine there was sign of bullishness and street was talking 19700 and almost entire CHARTIST community was reconciled with 19700 and suddenly markets changed its gears to crossed 24200 on weekly expiry day trapping all short sellers. I can write on wall that 19700 is impossible unless third W W happens and if that happen we do not need stocks and money. At the same time JIO has announced Rs 40000 crs IPO at Rs 10 lac crs valuation and this is in our view is impossible without Reliance rising to 1400 1500 and Nifty crossing 26000. Hence we hold our target 26600 intact.

Big money is at stake in options markets. Traders have increased from few lacks to few crores hence options have become main stream income. 1000 to 1200 points is monthly range which generate phenomenal profits which need to be moved to its rightful owners hence this kind of jugglery.

This analysis is based on assumptions and not related to any entity. The bottom line is that be focused on stock picking which will create wealth. There crores gambling through options we should just ignore their fate and continue with our wealth creation. CNI (Tomorrows Technologies Global Innovations Ltd) has track record of 17 years in this field. The world is changing rapidly, new technology has become the key to success. Our indices have only 2% exposure of such companies whereas globally it is 20%. Before we are rapidly getting converted to new technology CNI has moved quickly in this technology by absorbing it. This will long way in re-structuring biz which none of our competitors have ever done.

Finally whenever FPI shorts have crossed 2 lac contracts Nifty has given short bullish run of 5 to 10% and we feel this is not different even this time. The first salvo was fired on THURSDAY where Nifty rose 440 points in a single day. Now it will rise further to 24650 by next week and 25000+ before Budget and every day one sector will catch fire. It is similar to the fall where every day some new stocks and sectors were used to create mayhem. RSI is oscillating between 35 to 40 means there are no bullish bets and markets are very much near extremely oversold state. Earnings season will start from 11th. Generally in earnings we see distribution due to good results factoring but this time we will see stock rallying as bets on sell side with least expectations as Q2 ended with just 4% earnings growth. We may see pleasant recovery this time. Let's keep fingers crossed as for delivery stocks results hardly matter.

We once again repeat the break of stakes for the sake of clarity to make you understand what we explained above

Total market capitalization of India Rs 450 lac crs

FPI Rs 74 lac crs

DII Rs 65 lac crs

Govt in PSU Rs 55 lac crs

Promoters   Rs 225 lac crs

Public and some part operators is Rs 31 lac crs

The stake of street operators which could be huge is included in FPI as well as DII which found changing hands according to us.

Hence the matching of figures hardly matter.

We will continue to focus on wealth creation ideas some of them are discussed herein below.

STOCKS of flavors

SHETRON, HINDUSTAN TIN, MK EXIM, AKAR AUTO, TIRUPATI STARCH and LAHOTI OVERSEAS. New additions AMP Volts and CIFL (detailed note in next few days)

SHETRON :

Shetron last week was 160 and today it was Rs 196. 20% gains to all CNI members who have shown full faith.

Indian entrepreneurs has recently launched a new tin manufacturing plant which is a crucial breakthrough in India effort to reduce the dependence of imported metal. Tin is a internal industry ranging from packaging to electronic. This launch will drastically cut import and will be hugely beneficial for tin packaging companies in India. The machine is named as Rikayaa greentech. The demand for TIN is on a high on back of MAKE IN INDIA POLICY. Also mentioned earlier that TIN is the big source for semiconductor. 17% stake is owned by numero UNO group.

Hindustan Tin :

This is also covered by above straight away.

Hindustan Tin is currently involved in the manufacturing of tin containers, operating at a production capacity of 6,500 metric tons per annum in A-10, Site-IV, Sahibabad Industrial Area, Ghaziabad District. Impressively, the company has experienced a substantial growth of nearly 250% in its capacities this year, increasing from 6,500 TPA to the current 16,754 TPA. The annual revenue currently stands at Rs 460 crores.

Two US companies in this sector are entering INDIA which have MC of 21 bn $ and 11 bn $ names already shared and once they enter getting these stocks will be impossible.

Leave it to best of your judgment as now I days I am afraid to recommend straight away as some idiots keep on criticizing me though I am just ignoring such guys.

AKAR AUTO :

Akar Auto yesterday was Rs 130 but closed at 143 and today may cross Rs 160 also. Why? I had not explained reasons because of some bad elements in the system but can't see that 29000 members should be deprived of this rationale.

Why did HONDA depart from HERO Gr 5 years back…? That time Re was trading at 60 61. There was condition to HERO gr that they should by 30% component from HONDA JAPAN which they refused sensing the rise of Re. Now imagine if they could have done this then their profitability could have affected by 50% and probably they could have been in losses. Good decision and HERO became and remain profitable and they are now doing 95% local components only. They have developed even import substitute components in INDIA through vendors and successful.

Same thing hold good for AKAR auto as they have 30% exports. Since $ rose to 86 many overseas companies have approached AKAR for key tools and forging items. Exports may rise to 55% as per company sources. Also ZF USA, Merc, Tesla, BMW, Audi, Hyundai have opened shops for buying components from India rather than importing as $ is hitting them hard. If they import at 86 $ their cost is going up and due to slow demand pick in AUTO they are bound to cut costs. Maruti and Mahindra are only 2 companies which have their own sourcing. Ashok Leyland is buying from AKAR.

Another feature AKAR is selling leaf spring and concentrating on forging components. They are developing world class aluminum forged components which will not only reduce the cost but also weight of the vehicle. The cash flow from sell will be used for forging capacity expansion.

With last 10 days action more than 4 lac shares are cornered by strong hands who knows that co is benefitting from 86$ and getting big orders from MNC companies. Heard even TESLA has issued orders. Suddenly co will go overdrive from being low profile hence we should accumulate AKAR AUTO as free float is now is less than 5 lac shares which means just buying of Rs 10 crs and stock will be high flier.

Tirupati Stach :

Whenever the price correct I swing into action with buying. Stock hit Rs 145 2 days back and closed at 165 yesterday. I thank GOD and you should also thank for such sellers who make your life good. Tirupati is one of expanding co in ethanol, green hydrogen and medicines apart from starch. Capacities expanded. Should be a great story. Operations will start once cct limit is changed to 20% which we have seen even in LAHOTI. To our mind stock is 10 bagger.

As per Market analyst, the global corn starch market is seeing exponential growth in coming years in India. The growth rate is attributed to growing usage of corn starch in food and beverages. Gluten free and ready to cook market is growing by 12% CAGR which is a strong trigger for the sector. (Starch association). After this news stock already moved 20% in 2 days yet is at massive discount to ATH which it will cross soon.

LAHOTI Overseas :

First time LAHOTI crossed 50 after collapsing to Rs 38 thanks to trade to trade punishment. Lahoti is Rs 630 crs Textiles Company which has massive advantage as BANGALA DESH option is closed. We had shared other advantage of this co. Can read our note. For sure this is becoming next WINDSOR machines which we had initiated at Rs 34 and became Rs 380. Lahoti supply is drying as strong hands squeezed sellers. What more Co spent Rs 76 crs on power? Though current M C is 142 crs the assets size is Rs 229 crs which speaks everything for the co.

Though the margins are low the exports is looking up and certainly co will cross its peak of 950 crs soon. They are also into some new age technology JV with some British co. Also the power will add high margin biz. Almost 12 MW power biz is getting added which is removed from valuation co is available at just Rs 24 crs.

CNI find is acknowledged only when some big HNI enters in the co. Following companies which were CNI research initiated and HNI entered. Shilpa Medi, Ravindra Energy, Windsor, Arihant Foundation and AK Spintex were classical examples.

M K EXIM

This world class stock has got consolidated around Rs 90 for almost 6 months and ready for big break out. One 20% and stock will be in different orbit.

I wrote yesterday on this stock what CLSA feels and what industry feels. Now I have got feelers that some brand acquisitions are round the corner and this will be global for which some global funders have shown interest. I was told once this is done many MNC will get attached with this co and valuations will become 100 PE like Nykaa and Trent. So keep your fingers crossed and hold. If cross Rs 100 then Rs 134 the target was already given to you long back. When markets are bad and someone is willing to sell they do not give premium or they buy at premium when things they get to know insider information.

Itc ibitda margin is 36% and market cap 6.06 lac crs M K Exim ibitda 35% m c is just 350 crs which suggest that re rating in PE is must in this stock. Without even earning growth if we apply this rationale stock should become Rs 500 to 600. Mt resolution for 2025 in this stock is this much. Following quote is apt for M K EXIM the most loved company by me and I will continue to do that. There is no recession of this company’s business.

Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	04/1	19,760.27	+136.95	+0.70
Singapore	Straits Times	04/1	3,801.83	+1.02	+0.03
United States	NASDAQ	04/1	19,621.68	+340.89	+1.77
United States	DJIA	04/1	42,732.13	+339.86	+0.80
United States	S&P 500	04/1	5,942.47	+73.92	+1.26
Japan	Nikkei 225	04/1	39,894.54	-386.62	-0.96
United Kingdom	FTSE 100	04/1	8,223.98	-36.11	-0.44
Malaysia	KLSE Composite	04/1	1,629.46	-3.41	-0.21
Indonesia	Jakarta Composite	04/1	7,164.43	+1.23	+0.02
Thailand	SET	04/1	1,384.76	+4.91	+0.36
France	CAC 40	04/1	7,282.22	-111.54	-1.51
Germany	DAX	04/1	19,906.08	-118.58	-0.59
Argentina	MerVal	04/1	2,728,911.00	+33,264.50	+1.23
Brazil	Bovespa	04/1	118,532.68	-1,592.71	-1.33
Mexico	IPC	04/1	48,957.24	-807.96	-1.62
Austria	ATX	04/1	3,650.85	-5.93	-0.16
Belgium	BEL-20	04/1	4,259.13	-30.39	-0.71
Netherlands	AEX General	04/1	884.59	-2.58	-0.29
Spain	Madrid General	04/1	1,143.24	-1.77	-0.15
Switzerland	Swiss Market	04/1	11,624.02	+23.12	+0.20
Australia	All Ordinaries	04/1	8,511.89	+46.93	+0.55
China	Shanghai Composite	04/1	3,211.43	-51.13	-1.57
Philippines	PSE Composite	04/1	6,603.81	+53.42	+0.82
Sri Lanka	All Share	04/1	16,049.42	-299.13	-1.83
Taiwan	Taiwan Weighted	04/1	22,908.30	+76.24	+0.33
South Korei	KOSPI	04/1	2,441.92	+42.98	+1.79

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