

**Editorial**
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Markets will remain volatile as the market drivers will try to give a firm belief that NDA is not getting 300 seats AND,BJP will not react to this because they want Funds sell off and exit India. No 2 is buyer like he was at 15400 and 17100. He might take Nifty to 28000. No 2 was behind the ADANI drama and see ADANI stock gave 300 % from the low.

FPI are now below DII. DII AUM stands 53 trillion Rs where's as FPI AJUST 48 trillion Rs. FPI have been stuck badly in financials oil and I T as their combined exposure to these 3 sectors is 53% whereas DII have much less exposure. FII can damage three sectors not AUTO metals etc.

Following pointers suggest BJP will get 350+ as estimated by CNI even each and every media is trying to project NDA will be at less 300 seats.

New voters- New voters are young and they assess ground reality, hard work done by BJP , inability of Rahul to stand as leader hence majority of New voters is for NDA. Also congress talks against sanatan will not well voters.

Less voting- Earlier it is used to be against BJP as the opposition were preventing voters or making bogus voting which was considered as not in favour of NDA. Now see there was article in ET where it was found that bogus voting stalled voting in BJP bastion and re polling ordered. Is that BJP doing la Congress and Mamta practice now and if yes low voting could turn in their favor.

Muslim voters- Key surprise even though entire opposition is busy appeasing Muslim voters. Let's break Muslim voters as under

Men 30% women 30% children 20% young educated Muslims 20%

Young educated Muslims are pro-growth and opportunities 80% in favour of Narendra Modi

**Change of the week**

	18-May-24	Rise /Gain
Sensex	74000	1191 ↓
Nifty	22500	412 ↓

**Net Investments ( ` Cr)**

	FII	DII
13-05-2024	(4392.5)	3562.7
14-05-2024	(2513.0)	3527.8
15-05-2024	(2338.8)	3788.3
16-05-2024	(622.3)	2127.8
17-05-2024	1616.7	1556.2
<b>Total</b>	<b>(8249)</b>	<b>14,560</b>

**Turnover ( ` Cr)**

	FII	DII	Combined
<b>17-May-24</b>	<b>1,38,859</b>	<b>1,12,613</b>	<b>2,51,472</b>

17-May-24	Advances	Declines	Ratio
BSE	2315	861	2.6

80% women's who have been given right through triple talaq favour Shri Narendra Modi

60% men such as bori and other peace loving pro India favour shri Narendra Modi

So effectively only 22 % Muslims are can go with opposition. This opinion is for even Kashmir where article 370 has done miraculous growth and opportunities.

Rest is your assessment.

F M threatened to remove concessions given to FPI in Mauritius which if read with recent fpi selling over 5 bn \$ from April till date that bjp probably knows that they are winning 350+ though they are silent.

Last three state elections. The environment was exactly the same where everyone was convinced that BJP will lose all three states. But I reality bjp won all three seats. Hence what is projected everywhere will be proved wrong.

Ground assessment we repeat BJP will lose 3 seats in Rajasthan 4 to 5 seats in Maharashtra and 2 seats in MP whereas they will gain 12 seats in TN 6 seats in UP and 9 seats in West Bengal which is not seen by any media. Thus the zero sum game will keep NDA close to 2019 seats tally of 353 if not 370.

What will happen in stock market ?

Ask any experts he is denying to take call before 4th June.

Cni says take a gamble and go long now at least 50%. Every day you take gamble on options and most of times lose also. Yet you do not mind. Them why mind this time. Rather this is the time play gamble. Buy 22600 to 23000 call of June depending on the premium you afford. If NDA get 350 + Nifty will test 25000 and your gamble will pay off. If not you will lose less than 50% as RSI does not show big fall.

RSI has come down to 37 and they might threaten us for a day or 2 at the most. If they do this I will be more happy as RSI can fall further towards 32 30 and what then ? With FPI short 1.63 lac contracts there is point of reversal for them. Either they can 10bn \$ more to equate their F and O selling or start cutting shorts.

5 Top Gainers			
Stock	17-05-2024	13-05-2024	% Gain
MOIL	550.8	409.1	34.6
BDL	2437.0	1860.7	30.9
BEML LTD	4195	3209.8	30.6
MAZAGOAN DOCK	2860	2196.0	30.1
HITACHI	11388	8767.2	29.9

5 Top Losers			
Stock	17-05-2024	13-05-2024	% Loss
SYRMA SGS	410.5	471.6	12.9
NEULAND LAB	6210.2	7134.3	12.9
BANK OF INDIA	124.0	138.8	10.6
TATA MOTORS	949.9	1046.8	9.2
TUBE INVE	3789.5	4089.5	7.3

Top 5 Picks By CNI 'A' Group
Company
VEDANTA
TATA MOTORS
SAIL
TECH MAHINDRA
TATA POWER

Top 5 Picks By CNI 'B' Group
Company
TIRUPATI STARCH
SULA LTD
EMS LTD
MUFTI
JP ASSOCIATE

14th to 18th is the only week where they can distort markets more. This kind of selling also requires massive buying to cut shorts. Expiry is on 30th. Equations will change before that and the massive short covering can take Nifty past 23000. I maintained Nifty will cross new high in this series and they will be building equally big longs till 3rd June.

Therefore I feel you should remain long.

Start adding A K Spintex and Tirupati Starch.

Bhel announced the date of board meeting so has to blast ahead of results.

Now F M says exchanges in tune with SEBI should see that retail is not diverted to F and O by braking life time savings and this was CNI point over last decade. Finally it seems our presentation to F M has gone through.

Bharati Airtel One must shift to Tata Technology as that is best business with class promoter even though Bharati has good prospects.

Stock selection is very important. We had selected Bharati is at Rs 400 but certainly at 1200 we have exit and switch to tata technology or tata motors which have better businesses.

In fact BHEL and SAIL also could be better switch as they will be 5x from current price.

In investment category we have investment precision, AK spintex and Tirupati Starch as new multi bagger ideas.

No change in Nifty view.

Just 11 trading session left for the biggest event. Market is quite lackluster as no one has the courage to take big position as we can see conviction is lacking on street. We have several times given our seats prediction and we are totally convinced. We advise to go long on street

Global offshore stock to watch. Read last announcement on promoter hiking stake in the company. We believe company turnaround is on cards. Stock can be a huge multi bagger. Keep watch.

Watch out for tata communication. Above 1800 we may see 1950 soon. Huge value in the company.

GTV may post good results.

Yesterday was a roller coastal day where bulls won the fight with 700 pts rally. We at CNI are full bullish on the street and convinced that we may see new highs soon. Dow is hitting new highs we may see huge short covering from the FII.

HDFC bank will perform the same as we saw Tata motors in 2023. Accumulate HDFC bank and sit tight. DII have bought stock worth 50000 Crs in last 2 quarters and top PMS are also accumulating the stock. Currently no one is interested in HDFC but I bet once this stock will cross 1800 whole world will talk of 2500. Same way tata communication our target is 5x.

Buy Tata motors correction over. Stock may reverse.

Bhel and Sail result will surprise the street. Both stock will see re-rating.

Study Rashi peripheral. Strong long term bet.

## Special feature

Monday was havoc created by street managers after they spread the rumour of only 296 seats to NDA. Many fake betting apps were created to create this impression. Nowhere PHALODI rates were below 315 but these fake betting apps was systematic plan to create false alarm.

By and large I had dealt with in depth analysis of BJP getting 350+seaths which you may agree or not. By the time voting reach 6<sup>th</sup> phase Street will start talking 350+.

We heard the live interview of shri Amit Shah and Shri Narendra Modi.

Modiji has seen talking massive win in ANDHRA, TELENGANA, TN and WB. The tally which CNI had posted 2 weeks backs have stated about these states. We had predicted 5 seats from Andhra, 12 from TN and 25 to 27 from WB. Thus there is remarkable lead of 26 seats which will match with losses if any in RAJ ( 3 seats), MP ( 2 seats ) and MAHA ( 4 to 5 seats). UP and north east can give BJP another 10 seats. So there is nothing to fear to get anything less than 350 seats. In 2019 NDA had 353 seats.

No wonder Mr Amit Shah openly said in an interview that buy whatever you want to buy before 4<sup>th</sup> June because you will not get chance to buy till Sensex 1 lacs.

This echoes with our estimates of Nifty 25000 to 25800 post results. We were the only ones who had given buy calls till Nifty 9000 in 2014 and even last time when three states announced their results.

Our spread sheet exactly matches with New Delhi working and therefore we are pretty sure to suggest that NDA will get 350+ and mind it very conservative.

Some leaders like KEJRIWAL in fact has accepted that NDA is forming Govt. He was seen openly saying after WIN will MODI will be the PM or Mr Yogi will be the PM. Means he is trying to suggest that there is rift between RSS and NAMO which clearly a farce.

FPI covered some shorts but still have more than 1 lac contracts short. This will remain bullish. Even retail and HNI are short more than 2.23 lac contracts.

RSI is 43. Though improved from 37 it is far from satisfaction and certainly defy the downside.

In short there is no hope of bullish ness and if and butts is hovering in the minds of investors and traders.

Only 4 sessions are left for expiry. Where do you think FPI will cut their shorts..? If they want to cut their shorts in INDIA they will have to do it before 30<sup>th</sup> May 2024 and if they want use VWAP and sell their holding to impress the bear call they are most welcome.

They have sold 4 bn \$ stocks in last 2 week and they want to use their old technique and sell stocks in V Wap they will lose another 2 to 3 bn \$ stocks without impacting much to the market. Reason New Delhi is behind the Bulls.

Next week BHEL and SAIL will be announcing the results. Both will beat street expectations and both will become land cruisers. If PM can speak buy PSU in parliament, and Mr. Shah Say Sensex will cross 1 lac there is no reason to believe that the PM backed PSU will not say anything. We have seen major statements coming from PSU's over last 2 years and the same will continue in BHEL SAIL and BPCL.

BPCL will become the largest OIL and new technology co after Govt announced Rs 1.7 lac crs capex. Cum Bonus this stock is the new life line where RKD has entered recently. CLSA downgrade was for buying stock and very soon there will be upgrade also. This we had seen in TATA Motors and Tata Powers also. Thus there is no reason to downgrade BPCL and that is why BPCL has not fallen at all after the CLSA downgrade also. Fall of Rs 50 I cannot consider as big fall. In fact, 580 to 640 range movement is clearly indication of break out. Compare this with SBI at 540 to 600 range. Now SBI is at Rs 820. We had buy in SBI that time and now on BPCL.

We would also see orders flows and announcements coming in BHEL and SAIL short sellers will get trapped. BHEL we have Rs 11000 crs hidden IBITDA in the new orders which are just entered the phase of execution. Sail is a B to C Company and massive orders have started. Also SAIL has already announced lifetime high production which means revenue and profits will also be high.

**KPT, AK Spintex, Tirupati** all rose even in bad markets which shows the strength of these companies. We had made presentation to 250 CA's at Bhopal at behest of ICAI. Another lined up in the last week of May 2024. In this presentations we gave examples of AK, Tirupati and SAIL for case studies which was well received by these CA's.

Railways became self-dependent though they have to expand in 100 odd cities. Defense also we became self-dependent. But the Budget in July will give stress on this as this is just the beginning. Govt will provide funds for exports of these two sectors. The efforts of this Govt has paid off and we have reached 500 bn \$ exports. Now we are aiming to export only 600 bn \$ from textiles alone. The day is not too far when our trade deficit will turn trade surplus and that day India will start buying Re from market and Re will appreciate to 70 odd levels. Trust me Govt will use its last trump card only after trade surplus happen for 2 years and that is Re convertibility and that will take forex reserves to 3 tr \$ and Nifty to 47000.

Do not try to play against Govt. They have all seen and you are playing blind. Last 2 decades I am repeating this and every time analyst have proven wrong and not Govt. BPCL, BHEL and SAIL are under PMO supervision and we will see major bold statements from these companies management in course of time and stocks prices will double from current levels. Hence ignore the downgrades.

Recently some FPI broker also downgrades BSE on the SEBI penalty. I do not agree. ONDC, CDSL value unlocking is pending. ONDC itself is valued at Rs 70 K. Gift City will add major gloss to BSE as it is entry barrier. Bonus is due. Govt may allow MCX to merge in BSE for better compliance but this may take BSE rank above NSE in terms of volumes. Therefore hold BSE for 10000+.

Now we cover **Investment Precision** this week. With just 330 crs market cap can we ignore this defense story? They are supplies to TEJAS. The promoters are top class. Co is growing sequentially and now entered in TITANIUM casting which is rare to see. Only PTC is the co which is trading at Rs 9000. I feel one should give due weightage to this co as it is near break out and could be next KPT. There is fair chance that this co will jump Rs 500 crs market cap so that it cannot go in ESM 2. In any case one big JOCKY already there in the co with 10% hence this should be strong candidate of multi bagger. Need to accumulate till it cross Rs 765 that is 52 week high and once done will be in 4 digit.

DII are getting stronger than FPI. They have taken no 2 spot after PSU and FPI has slipped to no 3 spot. I expect the SIP will cross Rs 30000 crs per month in next 12 months. Normally FPI sell Rs 20000 crs in a month so this will not only take care of FPI selling but also fresh and additional investments in India. In few years they will rise to 200 MF from current 47 and AUM will cross 100 lac crs from current 53 lac crs. In this scenario why GOI would care about FPI..? They will have strong message if want to stay in India come invest and earn. Do not try to dominate Indian markets.

Whole year you ask CNI which option you should buy and we always tell avoid options market. Though we give occasionally options call (with precise accuracy) we as policy matter do not suggest options. But as a special case we suggest one must gamble on June 27 end nifty of 23500. We had given this call when Nifty was below 22000 and premium was Rs155. Since we believe NDA 350+ and 25000 Nifty one should give try with full risk of losing money. Hence only to the extent to which you are willing to write off you should gamble.

There is nothing more to add except stock selection and sector selection is key to success. In our ICAI presentation we have mentioned future segments. Please check in reliable insight section and follow if you like. Another presentation will be done in month end and this will be at all India level hence we may see 5000 CA's following CNI presentations.

## Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	17/05	19,553.61	+177.08	+0.91
Singapore	Straits Times	17/05	3,313.48	+8.49	+0.26
United States	NASDAQ	17/05	16,685.97	-12.35	-0.07
United States	DJIA	17/05	40,003.59	+134.21	+0.34
United States	S&P 500	17/05	5,303.27	+6.17	+0.12
Japan	Nikkei 225	17/05	38,787.38	-132.88	-0.34
United Kingdom	FTSE 100	17/05	8,420.26	-18.39	-0.22
Malaysia	KLSE Composite	17/05	1,616.62	+5.51	+0.34
Indonesia	Jakarta Composite	17/05	7,317.24	+70.54	+0.97
Thailand	SET	17/05	1,382.68	+4.96	+0.36
France	CAC 40	17/05	8,167.50	-20.99	-0.26
Germany	DAX	17/05	18,704.42	-34.39	-0.18
Argentina	MerVal	17/05	1,473,463.00	-7,880.25	-0.53
Brazil	Bovespa	17/05	128,150.71	-132.91	-0.10
Mexico	IPC	17/05	57,583.08	+120.91	+0.21
Austria	ATX	17/05	3,750.48	+42.77	+1.15
Belgium	BEL-20	17/05	4,004.80	+9.70	+0.24
Netherlands	AEX General	17/05	913.25	-0.31	-0.03
Spain	Madrid General	17/05	1,123.88	+3.41	+0.30
Switzerland	Swiss Market	17/05	12,037.99	+91.33	+0.76
Australia	All Ordinaries	17/05	8,082.30	-67.76	-0.83
China	Shanghai Composite	17/05	3,154.03	+31.63	+1.01
Philippines	PSE Composite	17/05	6,618.69	-9.51	-0.14
Sri Lanka	All Share	17/05	12,319.70	+60.43	+0.49
Taiwan	Taiwan Weighted	17/05	21,258.47	-45.79	-0.21
South Korea	KOSPI	17/05	2,724.62	-28.38	-1.03

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