

Your Masters Voice.....

Nifty crossed 26000 and Sensex 85000. What next? Please see the front page of CNI Annual Report Target of 85000 was given as early as May 2024. We have been giving this target since 2008 and all our targets have reached destinations. This is because CNI always followed some method of valuation and market can't deny that. We have set our target of Nifty at 47000 (though can scale up to 60000 also) in 2029 hence even Sensex has to cross 150000. But for yearly targets you must check CNI Annual Report every year.

So far we were successful in equity market but now are entering global deepdive technology business and we have no doubt we will be extremely successful even there. Just wait for next few weeks you will get know many things.

We have discussed many times that we are nowhere near the peak valuations of nifty or close to market cap to gdp ratio hence we should be relaxed to hold positions till 30000 Nifty which will come well before March 2025. We just want to repeat that 2024 is the year which will bridge the gap of price earning ratio to 33 years average price earning ratio for various reasons such as gdp, earning growth and return of fpi , excess liquidity etc etc

US elections are immediate trigger for Dow and U S elections is in Nov hence we do not see Dow correcting before Dec 2024. Fed cut 50 bps rate and will cut 50 bps more and this was in anticipation of US elections not because of inflation. Dow may rise to 44000 45000 in next 2 months hence even Nifty will keep pace with it.

Dii have 16% cash , fpi sitting on 40 bn \$ cash and hni too sitting on 20 bn \$ cash. From 25000 to 26000 no one invested and were desiring for correction which did not happen. So FOMO triggered with all three segments. To begin with we are seeing massive buying from FPI which will be followed by Dii and HNI also. How did the cash came in you must understand ...?

Many stocks have run up so sharply say psu sun pharma aurobindo Dr Reddy Infosys tcs Sudarshan chemical banks shares etc where lot of profit booking was seen from fpi dii as well hni too, hence the cash was generated. Where is the cash going now..? Will it go in same stocks and answer is no. Vijay Kedia picked VIP in bloc deal , Porinju picked up Apolo Sindoori Hotel , madhu and sunil picked up ravindra energy and few other stocks. Some fpi picked up bhel sail whereas some dii picking nlc. So the bottomline is that stocks are changing hands. Undoubtedly they are picking stocks where others are booked profit as they feel story is just begun even at these rates. This happens in every market.

Some guys feel that BHEL they should book profit and they booked. Downgrades followed. But some upgraded also with target of 361 and believe that from q3 bhel will be profit making co. So many dii are buying also. 17 g w orders are still under issue hence as and when they are issued bhel will be at life high again. 17 G W orders means more than 120 lac crs

Few foreign houses which had made exit in India are now returning back and will bring in 40 bn \$. They will be buying stocks like bhel sail tata motors Tata Power nlc sjvn balmer etc as fresh money will enter only in undervalued under owned stocks. The rationale behind entering India again is India growth story , India becoming no 1 in power segment , defense and in manufacturing. Also PM announced India to make strong base of semiconductor an alternative to Taiwan and China. Nvidia has major role to play and companies like CAMBRIDGE TECHNOLOGY could be next 100x story.

How many of you have Optiemus infra now 830 and heading for 3000 to 5000. This is co where now new money is coming. Cni members will do well if you put money in stocks not adopted by street such as rdb rasayan vipul organics CTE global Offshore etc because once their numbers grow and big investors enter you will be out of the game. e g we had buy on Lupin and arbindo at sub 400 I had buy in paytm at sub 400 I has buy in Apolo Tyre at 122 and Siemens at 789 and now see where these stocks have reached.

Whether it is fpi dii hni all will invest in fresh idea's like satia bbtc Apolo sindoori Niles investment precision mega soft forbes company ltd Hindustan tin etc. Now heard they are entering spic also. Himadri and Usha Martin are classical example of set up from operators.

Now why they are buying in Indian markets is that they have estimated 15% CAGR growth in India for next 6 years. So you can calculate 15% rise in Nifty every year CAGR for next 6 years. The result will be 60000 Nifty hence there is no reason to sell and exit from India till 2030. This is why FPI have been bringing in money in India. Now fact sheet. In 1992 when they started investing in India they brought 8 lac crs which grew to Rs 54 lac crs before 2020 and collapsed to low of Rs 38 lac crs in 2021 post covid. Now the same money grew to Rs 72 lac crs. They removed only 3 lac crs and this 72 lac crs is after that. It means even though fpi is not top priority they have doubled their money from 38 lac crs to 72 lac crs.

They have been selling I T , financials , oil and gas and fmcg. Whereas now they are adding power metals psu infra real estate consumables auto AI railways capital good transmissions shipping chemicals packaging media etc etc so we can expect repeat of stories in metals and these sectors over next 6 years.

We have been never a great pickers in I T stocks but today we ourselves have become one of big ai company. However our picks in these sectors will ensure that you will make big money.

Bears are frustrated. They have been making good presentations and circulating into street through what's up university. First they spread story suggesting India is the costliest market. They are spreading Nifty pe is 27 and dow is 25 whereas fact is different. Dow is at 31 S and P at 29 and Nifty is at 21.30 and that is why market is not falling. Seeing this many idiot traders have shorted and short trapped. Now in this round another deep fake story is in in circulation which we have copies and not subscribing

"RSI of Nifty on Monthly time Frame have crossed above 80 only 6 times since inception. Each time it was followed by a correction.

March'92, at RSI at 89. Nifty went from 1200 to 600. Correction of 50%!

Dec'2003, at RSI at 80. Nifty went from 2000 to 1300. Correction of 35%!

April'2006, RSI at 82. Nifty went from 3750 to 2615. Correction of 30%!

Oct'2007, RSI at 86. Nifty went from 6000 to 2500. Correction of 60%!

Nov'2014, RSI at 81. Nifty went from 8600 to 7000. Correction of 19%!

Oct'2021, RSI at 80. Nifty went from 18600 to 15300. Correction of 18%!

Nifty is currently trading at RSI of 84! It is still not clear whether RSI have peaked here or will go more higher.

Can this time be different ?"

Now first of all in Feb we had crossed 80 but we never crashed more than 3 4%. Secondly the Rsi Is a deep fake. This is a planned story and you may hear from other sources or powerful what's up university that is why we are trying to clarify. Current Rsi at 26000 Nifty is also just 67 which far from overbought state. Dow RSI is also at 67 and Nasdaq RSI is at 60 hence no markets look overbought.

Sameer Arora tweeted that even Warren Buffet is frustrated with 158 bn \$ and losing opportunity. So when you follow these false data and sit on cash you will also loose many opportunities.

Your focus should be in stock selection not pe and rsi. We will update you when we enter danger zone. Every market gives an opportunity to buy some undervalued stocks. Focus on them. Quant has started picking new stocks after sensing they were wrong and markets will not fall. Other m funds too have started increasing bets on new stocks. Yes one thing is clear that 60000 crs ipo fund raising there and 1.29 lac crs qip are in process hence market may absorb close 2 lac crs out the current liquidity. 2 lac crs means 30 bn \$ only yet we have another 120 bn \$ lying in the system. This is called stock switching. Swiggy Hyundai Afcon will get huge success.

But for you opportunity lies in stocks like Investment Precision bbtc forbes apolo sindoori hindustan tin vipul rdb cte megasoft M K INTEGRA Global Offshore Inspirisys kind upcoming stocks. They are future of stock market. Street will accept them sooner than later. We select bottom up where 100% massive upside there but those who join ipo qip stocks there is no guarantee and you can risk your capital.

Nifty made a low of 24913 before reversing and made a high of 26213 which means the tradition of 1000 1200 + has been maintained even I this settlement. This is because this is bread and butter of market drivers. Sebi rightly said 1.80 lac crs have been lost by retail which goes this way. In fact we believe this number should be nothing less than 6 to 8 lac crs.

Team CNI.....