

**Editorial**
**Vol -1, No-I, 27 May 23, 07 pages**

SOLIMAC announced super results proving yet again a super early find of CNI. ENGG as told doing extremely well in INDIA. HALOL expansion is still not completed. So long term is good for for short term we have given exit call in SOLIMAC as co gave 1.5 div even last year. 8 crs revenue is good but we will reenter around 40. Meanwhile we shift this money to GTV ENGG as I feel this ENGG has bright future. 30 crs revenue means 120 crs should be market cap of SOLIMAC though currently value is Rs 25 crs only so upside is definitely there but if you hold for 5 years.

GTV on the hand has much better value and dry counter. Lof of consolidation has been seen. Now this has to cross new high there is no option. With 120 crs revenue value should be Rs 500 crs for ENGG now just 100 crs. Please see the presentation of the co the R I section where you see the value Samrudhhi and Veena Gold. If the power deal as expected happen the value of cash could be rs 300 crs + which is equivalent to Rs 1000 + hence I will move to GTV ENGG from SOLIMAC rest is your call.

RDB results are good. Hold. Apolo results are good. Stock will rise. SANDHAR technology is good bet.

I see 30% rally in micro small and mid-cap index in next 3 months. Decide accordingly.

Market is showing extreme concern for the debt ceiling which is not at all true. Four questions pessimist pose are as under

Will Fed Pause

Will US debt ceiling well get resolved

Will US regional bank issue settle

And Will China growth come back

Let me answer these four pessimist questions before I tell you where market is heading.

Fed will pause as inflation has cooled off

Debt ceiling has to be resolved as was done on 62 occasions in last 100 years

**Change of the week**

	27-May-23	Rise /Gain
Sensex	62500	780 ↑
Nifty	18499	301 ↑

**Net Investments ( ` Cr)**

	FII	DII
22-05-2023	1289.5	1071.3
23-05-2023	319.3	397.2
24-05-2023	1497.8	300.9
25-05-2023	589.1	338.4
26-05-2023	350.1	1840.9
Total	4045.6	3946

**Turnover ( ` Cr)**

	FII	DII	Combined
27-May-23	76,883	57,053	1,33,936

27-May-23	Advances	Declines	Ratio
BSE	1907	1600	1.19

US regional banks will have fine health as they are guaranteed by US Govt

China growth will re surface as they are doing massive QE

Now what market has ignored are as under:

Our PE is 18 vs historic WA of 32 years at 25

Our MC to GDP is less than 1 against 10 years average of .89 Highest was 1.49 in 2007

Almost all big punters are short in market on fear

Hedge Funds entered in buying more which is reflected in 40000 crs buying

Clarity will trigger covering short covering which will take Nifty to 20000.

Micro cap small cap and mid-caps have given signal of 30% rally.

On this background you decide what you want to do. If you are serious of creating wealth then do not invest in 1000 shares. You should have LION's shares. Must have 10000 20000 40000 shares of your choice. Investors are their own enemies. They sell shares at 5 to 10% gains and in losses stand till 90% capital gets wiped off

The day is not far when HNI will enter in following stocks and they will become 5x kind.

M K VIPUL AKAR ALPINE GTV SUNIL AANCHAL etc.

5 Top Gainers			
Stock	26/05/2023	22/05/2023	% Gain
OPTIEMUS INFRA	234.1	174.8	33.9
ADANI ENTER	2543.3	1956.9	29.9
SCHNEIDER	236.4	187.6	26.0
INDIA BULL REAL	67.5	54.8	23.0
DIXON TECH	3651	3034.5	20.3

5 Top Losers			
Stock	26/05/2023	22/05/2023	% Loss
GLAND PHARMA	928.9	1070.8	13.2
POLYPLEX	1366.4	1569.9	12.9
JK LAKSHMI	685	780.1	12.2
DCAL	114	129.4	11.9
GRM OVERSEAS	172	194.2	11.4

Top 5 Picks By CNI 'A' Group
Company
RIL
HDFC BANK
TATA MOTORS
BAJAJ AUTO
VEDANTA

Top 5 Picks By CNI 'B' Group
Company
HARSHA ENGINEERING
ALPINE HOUSING
INTEGRA ENG
PATANJALI FOOD
AKAR AUTO

I had told you to exit PVR at 2000 now 1350 wealth destruction. This is why I always say avoid buying over owned stock. PVR is one. Many other stocks I will suggest avoid.

Instead you can folk with SANDHAR, ASHAPURA, Optemius ( result on 26th could be super ) for 20 30% quick gains.

For wealth creation we have different stocks. Those who are exiting on hear and say will be the biggest loser. Railway ENGG Power Real estate and Food still remain my best pick.

I am waiting for ADANI action to continue. Now A E at 2800 only CNI gave buy at 1400 and heading for 4000+ soon. ADANI will cross 15 lac market cap soon. ADANI back in action and the pending deals will start soon.

As told 30% rally seen in small caps and mid-caps and 10 pc in large caps.

No need to panic. If INTEGRA can become super stock why not M K and AKAR.

Had suggested to sell NYKAA and see what happened. Suggesting to buy M K AKAR and ALPINE and wait for the HNI batting.

Today expiry not below 18200.

UBS downgraded TATA MOTORS but giving wrong comparisons. Reports seems misleading and motivated. You can decide. Rs 4 lac crs co at 1.6 lac crs valuation strange.

The rising fear is good for the health of market as market is there forever. The Debt ceiling Ghost, China slowdown and Germany recession news will add more fire to fuel and create more short positions.

Market require shorts.

We are bullish and would suggest to go long only.

As of now we are extremely bullish on HDFC Bank ,SBI ,INDUS IND Bank, TATA MOTORS, TISCO, TATA Power, SAIL, Infy, Wipro, TCS, L and T, BHEL, BSE, Ashapura Minichem and Hercules. Sail announced super results. Announced dividend. These are good stocks for gains though they are not multi bagger. Ashapura announced super results. Watch the counter. Hercules will announce super results.

## Special feature

Sun is rising every day and setting every day and practically it become a routine affair unless you go to the hill, mountain or sea to see how to SUN rises and SET. There is no relevance as such but when I read global news agencies every day speculating debt ceiling issue of US, I think I need to compare this with SUN RISE and SUN SET. In fact, debt ceiling got extension 62 times from 1920 then why would we believe US senate will not allow extension of debt ceiling this time ? I thought it would not a bad idea to compare these media briefs on which market dance 180 degree with the rising SUN and Setting SUN. For me these media reports are as routine as the SUN rise and SUN set.

For the first time we saw smooth expiry without 1000 points volatility which was backed by massive FPI buying in May 2023. Either we do not understand markets or FPI does not understand. When whole world is concerned about US debt ceiling and expect Nifty to test 16K, 14K and 12K, these FPI have gone mad to buy over Rs 45 k crs which has allowed Nifty to float above 18200 if not reach 19000. But I am sure with major HNI, DII and retail short in tons, chances of steep fall is ruled out rather we may see new high before 16th June which is another important day in US markers and certainly post debt ceiling deadline and around Fed meeting date. It is not coincide to have FED meeting in every quarter alongside the most important quarterly event in US markets. Rest is better you try to read between the lines.

Result calendar too is coming to an end by 31st May. By far 90% Nifty companies have beaten the estimates and the full year earning trajectory is past F Y 22 earning trajectory. Downgrades is simple symbol of insider buying. This week some FPI broker downgraded Tata Motors with target of Rs 326 or near about which was never the price scenario even when co reported big losses and we saw Adani massacre. First time also seen some firung broker comparing Tata Motors with Mercedes and BMW. CNI has shared this matrix 18 months back when price was Rs 300 around. While we call this as "guiding or misguiding" has to be decided by investors alone. I remember another firung broker had downgrades TAMO at 550 and later found biggest buyer in the same stock with series of upgrades followed. A company with Rs 4 lac crs revenue cannot trade at Rs 1.60 lac crs market cap with TATA brand. It is one of finest company in the world. I am damn sure the stock though knee jerked yesterday will bounce smartly around the IPO of Tata Technology and the price written in report could be only dream. At least, I am unable accept such report and every investor has to decide their own view. I will personally hold this for Rs 1400, 1500 in coming years. India is second largest in the auto space in the world and TAMO is also the second largest AUTO Company in India. Maruti at Rs 2.80 tr and Tamo at Rs 1.60 tr suggest that the gap will get narrowed and one day Tamo will cross Maruti for sure.

Tata Power another company which was first selected by CNI team at Rs 64 and had a solid run from 64 to 285 and then went into consolidation mode for long time. Rs 200 plus minus 10% remained broader range of consolidation. But now ready for front foot batting like Shubhaman Gill. I see stock heading for Rs 259 then 360 in coming months. At Rs 350 it will be regular player with TV analysts which we see in Apolo Tyre ( we did at Rs 122). Tata Investment CNI picked at Rs 1400 gave a solid headroom to rise to 2700 and now gone into consolidation mode. This is a typical pattern and if you can read you can make money. Follow same trend in Apolo Sibdoori Hotel. Now Rs 1350 and will take some time to cross ATH and then in few weeks will test 2500 3000 and then go into typical consolidation mode.

What is this consolidation mode? Every stock has one or more jockeys irrespective of group of the stock. This is typically done with group of investors who work in tandem with others. They drive the price 100% for sure to clean up the selling dirt. When stock goes up with volumes many unwanted investors enter the riding boom following volumes and charts. With the size they acquire, they control the stock for long time so that all those unwarranted investors get frustrated and book losses or exit cost to cost. Once this exercise is done stock becomes 5x then 10x. In this process the men in blue incur massive losses to begin with while controlling stocks and make real gains when it become 10x. I do not have naked eyes to this magic wand though I learn this from past experience. Time will prove my understanding of the subject once we see Tata Power at Rs 360 and Apolo Sindoori at Rs 3000. The formulae is tested one. This is how we saw Cera, Vip, Vishnu, OAL, BEL, SBI, Sandur, Tamo, Apolo Tyre and many more at these levels. Integra Engg Pravage, SS Duncan, following the footsteps. Same process will be seen in Inspirisys, MK, AKAR,ALPINE, METAL COATING, GTV and Sunil Agro Foods etc. These are today's Akash Madhwal, Nehal Wadhera, Raturaj Gaikwad, Rinku Singh, Tilak Varma, Tushar Deshpande and Yashwi Jaiswal. It is your call whether you like YOUNG turk or experienced folk as the price is different.

In May 2020, I had generated buy call at Tata Elxsi at Rs 632 which went on to cross Rs 10000 riding on the specialty it owns. Then again at Rs 140 we had KPIT which now became Rs 1000+. Similarly let me mention about Inspirisys which is the youngest MNC baby in AI space. Within AI too they are specialized in face recognition which is now becoming order of the day. Three airports have implemented FR in India. In US even cars will be operated through FR. The day is not too far when we will be seeing entry in every offices will be through FR instead of thumb recognition like DUBAI airport. Security is biggest threat. Co earned Rs 34 crs operating as well cash profit. This should rise vertically as co is successful

in bidding some big Govt orders. I will not be surprised to see this becoming another KPIT and Tata Elxsi. Market works on demand supply. So long as retail ( before CAC Holdings Japan acquired ) keep selling stock will not perform. But once some strong hand enter it will become another KPIT in quick time. Stock will be slow mover till it cross Rs 100. Stock which earns 34 crs Cash profit trades in T to T segment where brokers do not permit buying. The same stock was in frenzy buying till 95 after CNI broke story first it was moved to GSM category 4 means trading only once in a week. Why how is only policy makers can decide but to mind such moves are opportunity to buy stocks like this with Rs 400 crs revenue and market cap at rs 200 crs and with parent trading at 20000 crs market cap that too in JAPAN.

Result matters for 2 days. Bad results will pull the stock down by 10% and good will pull by 10% but the stories behind these stocks are not ending here. These are moved up and down by the men behind the screen to create demand and supply. We are dancing puppets and if we can understand that these very stocks will be 10x in few years we will never sell such shares. Here comes the role of intermediary and most powerful are brokers and their advice affect your decision making ability. Investors like me will add more imon bad results instead of selling.

CNI reports are accessed by 3000+ FPI through our channel partners. There are many overseas investors they have access only through these partners. The sector specific overseas investors always like brave virgin ideas which only CNI is able to provide. You too can avail the reports from our portal for a price. This will help you only if you buying good quantity. It will not work if you are buyers of 500 1000 shares. Please note CNI is pure research house and not into broking hence there is no vested interest. We will be coming out with reports on number of companies which will help our members in a big way. 60% of our reports are on virgin ideas which is market is not aware of as getting information is very difficult. Latest cases where our reports helped in big way are RVNL and Integra Engg. Expect more fireworks as we expect the vertical line of Nifty is getting open now. Finally it is investors who decides his own fate not the research house because investors are governed by different criteria such as safety of capital, big investor in the co etc hence the decision of wealth creation solely depend on investors own decisions.

## Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	27/05	18,746.92	-369.01	-1.93
Singapore	Straits Times	27/05	3,207.39	-0.33	-0.01
United States	NASDAQ	27/05	12,975.69	+277.60	+2.19
United States	DJIA	27/05	33,093.34	+328.69	+1.00
United States	S&P 500	27/05	4,205.45	+54.17	+1.30
Japan	Nikkei 225	27/05	30,916.31	+115.18	+0.37
United Kingdom	FTSE 100	27/05	7,627.20	+56.33	+0.74
Malaysia	KLSE Composite	27/05	1,402.98	+0.50	+0.04
Indonesia	Jakarta Composite	27/05	6,687.00	-17.23	-0.26
Thailand	SET	27/05	1,530.84	-4.58	-0.30
France	CAC 40	27/05	7,319.18	+89.91	+1.24
Germany	DAX	27/05	15,983.97	+190.17	+1.20
Argentina	MerVal	27/05	341,669.31	+883.81	+0.26
Brazil	Bovespa	27/05	110,905.51	+851.13	+0.77
Mexico	IPC	27/05	54,025.45	+280.77	+0.52
Austria	ATX	27/05	3,089.52	+9.15	+0.30
Belgium	BEL-20	27/05	3,652.16	+25.09	+0.69
Netherlands	AEX General	27/05	767.86	+12.65	+1.67
Spain	Madrid General	27/05	911.50	+7.22	+0.80
Switzerland	Swiss Market	27/05	11,434.24	+108.98	+0.96
Australia	All Ordinaries	27/05	7,334.90	+18.21	+0.25
China	Shanghai Composite	27/05	3,212.50	+11.24	+0.35
Philippines	PSE Composite	27/05	6,530.20	-30.02	-0.46
Sri Lanka	All Share	27/05	8,697.07	-15.65	-0.18
Taiwan	Taiwan Weighted	27/05	16,505.05	+213.05	+1.31
South Korea	KOSPI	27/05	1,764.22	-18.35	-1.03

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