

Editorial
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Elections dates are announced and hence the time gap is narrowed to down to just 40 to 45 sessions which is really not sufficient if funds want to build portfolio in midcaps ahead of elections. This is the reason all brokers are now pushing with BUY call in mid caps.

Nifty can test new high. 11000 will act as resistance.

To my mind withdrawal of OCT 2017 circular could be tipping point. Another issue that SEBI is going harsh of FPI to announce source will push domestic buying and genuine fund based buying. Long only funds sees opportunity whereas circular trading of name lending FPI will come to halt.

WEF april even F and O will see physical settlement in 50 scrips.

ALL is WELL ..

I suggest go long with conviction in mid caps and small caps. Mangal Credit is heard going for restructuring and this will make good to this small cap co. This could be a real jackpot stock. Promoters are using every year the window of 5%. This year I believe they have exhausted 5% and may resume buying in APRIL so it is good case for investors to buy with their confidence. Mangal BV is at Rs 56 on March 18 B S and it can be Rs 61 to 62 on March 19 B S whereas stock is at Rs 48.... You have to decide where is the value...?

There are few more stocks which are trading at 1 BV or below 1 BV which should be ideal candidates. Why buy stocks with 20 BV only because some big investors are in or because there is huge volumes happening,... ? It could be the fishing net...

that. Punters expect 1250 and hence shorted heavily.

Change of the week

	15-Mar-19	Rise /Gain
Sensex	38024	1400 ↑
Nifty	11426	400 ↑

Net Investments (` Cr)

	FII	DII
11-Mar-19	3452.8	(1955.5)
12-Mar-19	3556.7	(990.4)
13-Mar-19	2213	(1508.1)
14-Mar-19	1948.9	(817.7)
15-Mar-19	4321.5	(2130)
Total	15,490	(7400)

Turnover (` Cr)

	FII	DII	
15-Mar-19	79,477	42,706	1,22,183

15-Mar-19	Advances	Declines	Ratio
BSE	1195	1495	0.79

Target 11295 done. Now from here on even a 50 points drop will suggest all is over whereas I believe that rally is just started. I will first try and hit 10800 before MAY 19. This was my prediction in AUG 18 and nobody believed me.

I have precise experience of Nifty prediction and proved right from LEHMAN time. This is a long time to prove one self.

Karnataka Bank is now on fire and heading for 190. As per my information they seems to have filed application with RBI for inducting partner or take over. You may check from your sources. Stock has limited downside as it has not participated in the rally.

I wrote on the valuations of MANGAL Credit and stock is moving. Above 50 it has to cross rs 60 70 very fast and may even cross all time high of 109. Some corporate re structuring I am hearing. Could be new team in MGT which may change the outlook and this could be the last opportunity to enter the stock. I can reveal the team of MGT but I am not sure and hence cannot spell it out. If I get confirmation then I will speak loudly on this.

PURVANKARA is another stock which is very much underpriced. One may look at the stock. We have a still long call in the streets call at Rs 155 and hence it has to cross that price for sure. Once volume catch it will replicate B Dyeing for sure.

Instead of Nifty one must focus on stock. Wockhardt could be great bet at CMP. MARICO may rise more.

Keep watch on TRVENI GLASS as they have reported in the last Q results that they have sold the property. It could fetch Rs 90 crs whereas market cap is just 12 crs and debt is Rs 20 crs. This also means you will get Rs 58 cash in the books whereas cmp is Rs 10. No wonder management is for the first time has started doing creeping bit slowly.

5 Top Gainers			
Stock	15-Mar-19	11-Mar-19	% Gain
CG POWER	43.9	36.2	21.27
IIFL HOLDING	435.4	363.45	19.8
MAN PASAND BEV	118.5	100	18.55
DILIP BUILDCON	657.9	560.35	17.4
TRENT	393.9	335.5	17.41

5 Top Losers			
Stock	15-Mar-19	11-Mar-19	% Loss
REL COM	41.41	5.85	24.6
STERLITE TEC	231.2	268.4	13.8
TAKE SOLUTION	122.8	140.5	12.6
FUTURE CONSUMER	44.85	50.5	11.2
REL POWER	10.78	11.97	9.94

Top 5 Picks By CNI 'A' Group	
Company	
sail	
hdfc bank	
reliance	
icici bank	
Hero honda	

Top 5 Picks By CNI 'B' Group	
Company	
Purvankara	
Jindal saw	
wockhardt	
Rdb rasayan	
Vipul organic	

There is heavy short selling happening at current prices hence the feel is there and in the second half market will rally.

At the same time be selective. Buy stocks like Purvankara which are undervalued. Another stock could be MANGAL CREDIT as I am getting feelers of big changes in MGT team which will change the perceptions. Let us see when and what happens but stock is certainly under priced as its B V is above 64 and cmp is Rs 49.5

Rest is your call.. Satta bazaar has set 264 seats on BJP alone and if NAMO strike once more on PAK this may rise to 282 again BJP alone. NDA will cross 332 for sure. Congress is making silly mistakes hence they will fall apart. They raked the issue of KANDHAR whereas they had bad history of gesture release of terrorists even post 26/11. Rafel was a wrong attack as the delay was caused because of Congress policies. They raked unemployment but in fact we are finding difficult to get workers as self employment has increased. They raked Rs 15 lacs cash deposit which was incorrect. Had they not removed black money from SWISS bank probably people could have got Rs 15 lacs each that is what it was meant.

If there is no opposition people will not waste there vote. 40 pc MUSLIMS are with NAMO hence BJP will cross even 264 satta bazaar estimate.

I feel we will see 11800 before JUNE.

In bull market, the trajectory is to keep the markets negative in the first half so that everyone sells short and in the second half the rally starts and sees best closing on short covering.

We identified KTK bank at 118 and stock fired till 131 and now trailing at 127 but I am sure this stock has to head high as chartists have taken control and accordingly target works out to Rs 190.

Purvankara could be another stock which is trailing cheap and could fire all the way to Rs 190 to 200. Stock was well trading at Rs 160 when the deal was announced and then the market crashed. The deal seems to be intact and now even Morgan has joined in the real estate deal. This cannot happen without value. If you are smart investor you should enter now. Even if you have bought higher this is the time to average out as it is based on event.

Nifty has tested 11372 yesterday. I believe we may close above 11500 in MARCH as short covering is not yet started. In fact more shorts are happening. I feel more comfortable when shorts get built.

Nifty can make a new high of 12000 before elections results are announced and 13000 after the election results. Even assuming that it hit 13000 in Dec still it could be still only 19 pc from the base of 10900. If we take 2014 rationale of 22 pc rally post NAMO then we should see 13300. I am still not applying 77 % rally.

Well that is Indices, as far as stocks are concerned many stocks will have show new high e g DLF the earlier high was Rs 273 and target 500 is not at all distracted. Hence this stock has to cross 300 in course of time. Same thing is UJJIVAN JAIN CAMLIN PURVNAKARA B DYEING TATA MOTORS TISCO SAIL etc. Big BULL has started to accumulate SAIL now at Rs 52 hence I believe SAIL has to cross Rs 73 with huge volumes.

I can write about 100 stocks but I do not think so you are all prepared to read and absorb all at one time hence better you apply your mind and act.

One thing is certain that with Nifty at 11370 I have proved once again that there is no one better than to predict the Nifty movement. I may go wrong for 1 day 1 week 1 month but certainly my targets see the light of the day.

My job to give guidance and those who follow me are making money. Those are more intelligent are more studious and know the markets better than me hence my guidance could be for those who seriously want it.

. What do I write now.? Nifty is close to 11500. When would it hit new high it is anyone's guess. Nifty has taken big support at 11100 and hence downside is limited whereas upside is wide open till 13000 in 2019.

Divergent views are coming as many feel that market is overbought and many feel that market is oversold.

So my view is bet on underpriced stocks. This is because you have missed the BUS. I had been telling you to rise many stocks but you missed and prices are up 20 to 50%. Therefore now you should focus on only under priced stocks which have not participated in the rally so far or the rise is less than 10%.

Many A gr shares as well B gr shares are still giving opportunity to buy. e g BEL, PURVNAKARA, MANGAL CREDIT etc

This expiry is special as it is on 28th March which should also be the final day for NAV. The one of the reason for sharpest rally in the recent years.

Global Story

The pace of market rally surprised the street but not CNI as CNI had predicted 11650 based on 21 PE of Nifty. Therefore, there is a smile on the faces of CNI members. Nifty closed at 11472 after crossing 11500 and trailing at 11510 at SINGAPORE. This could be the most crucial analysis from the point of view of CNI members, as they need to know what is next.

The street was short from Nifty 10000 in January 2018 and waiting to plunge to 9200. It was taught to the street that they should not buy till the election. Rather, the fear of uncertainty made them exit from existing holdings. Above that, a 13 month consolidation period of Nifty and drowning for midcaps played on the minds of investors. Brokers and parties with vested interest had a huge role in this. CNI has maintained its stand all along as CNI has no vested interest. Those who have followed us have made money.

We are just 150 points away from our target of 11650 but the big question is, what next? Will the markets crash? By and large, the markets have crashed when the Nifty PE has crossed 28. And yesterday, on 15th March 2019, the Nifty PE crossed 28 and closed at 28.01. In fact, there was a strong buzz around the street that the market is overbought now. So, was the rally of 600 Nifty points in MARCH alone only for short covering?

We need to take into account various factors before deciding where the market is heading.

Generally, we have seen in the past that the fall or rise has to be at least 10 to 11% to be able to say that the rally is completed. This time, in the month of MARCH we had seen rally of just 5.5% till now. Will it sustain and reach the 10% mark or will it reverse?

Another factor is that though Nifty has come close to the all-time high, there is no recovery in mid-caps and in that sense, we can come to the conclusion that the rally was not broad based. Generally, every rally ends only when mid-caps participate and flare up in a big way in the rally. Otherwise, only FIIs, DIIs and HNIs may get stuck without exit which cannot be the case.

From April, 50 odd scripts will be added under physical settlement. This is expected to reduce volatility.

Yes, it is true that whenever the market crosses 28 PE, it crashes. This is the writing on the wall, based on historic trends. Are things different this time? Even though the NSE Nifty PE is at 28.01 on Friday, 15th March 2019, the same PE as per BLOOMBERG is at 25.69, and as per CNI at 20.55. We are just 2 weeks away from the closure of financial year. DATA will change in 2 weeks' time though it will be out in the public domain only after 2 months. We cannot ignore this fact for determining the market trend. NSE follows historical and standalone mechanism for working out PE ratio. Thus, even though for all practical purposes we are in 2019-2020 we are relying on MARCH 18 data to determine the PE ratio. After 31st May 2019, that is, post FY 2019 results, the PE of NSE Nifty will change as the base will shift to March 19 instead of March 18.

Will it be right to say therefore, that we have reached 28 PE and hence markets will crash as per tradition....?

Bloomberg follows standalone and trailing parameters. They have arrived at a PE of 25.69. Even if we take this as base, then 28 PE will be crossed only at 12500. Thus, what should we presume: will the market will crash from 11500 or it will see 12500 before starting to correct. This data will not change unless Bloomberg takes consolidated numbers for calculating PE.

The PE data changes further at the CNI headquarters, as CNI research analysts follow a more accurate method of calculating PE based on trailing as well as consolidated numbers. We have issued a report to that effect giving calculations of PE. According to us, the standalone PE is lower by 25 % as compared to consolidated PE. According to CNI the consolidated and trailing PE of Nifty 50 is 20.55.

Since market was subdued at 10500 or below we had safely presumed that 21 should be the fair PE according to which we had set a target of 11650. We are very close to this milestone.

Now, have a look at FII numbers and market trends:

FII investments in INDIA (in Crores)

Investment in MARCH alone (in Crores)

Calendar Year 2014 Rs 97054Rs 25376

Calendar Year 2015	Rs 17808	Rs 6580
Calendar Year 2016	Rs 20568	Rs 24201
Calendar Year 2017	Rs 51252	Rs 26793
Calendar Year 2018	(Rs 33014)	Rs 7904
Calendar Year 2019	Rs 30877	Rs 19131

In 2014, the big investment by FPI/ FII lead markets rally frivolously followed by a cool off in 2015. 2016 and 2017 were decent moves. 2018 was really disappointing for the market which is clearly displayed from FPI/FII numbers. But 2019 began with a bang. In March, the first 15 days alone have seen an inflow of Rs 19000 crores. Vanguard, a big fund bought stocks in excess of Rs 4000 crores in a single day (Friday).

If this is well informed buying then we can say that market has potential to cross 2014 numbers as far as FPI/FII investments are concerned. If this happens then Nifty may even scale to 13150 plus (at 24 PE) as per CNI calculations.

This FII buying could be a well thought bet on the expectation of a NARENDRA MODI government in May 2019.

Based on the data, factual position of PE, FPI/FII buying, chances of the BJP coming to power, prospects of pushing reforms and reducing trade deficit, there is sufficient rationale for further rally in the market.

Yet, the risk of correction cannot be erased from our minds. All said, the approach of investors needs to change immediately to BOTTOM UP APPROACH instead of blind buying.

Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	16/03	29,012.26	+160.87	+0.56
Singapore	Straits Times	16/03	3,200.18	+2.26	+0.07
United States	NASDAQ	16/03	7,688.53	+57.62	+0.76
United States	DJIA	16/03	25,848.87	+138.93	+0.54
United States	S&P 500	16/03	2,822.48	+14.00	+0.50
Japan	Nikkei 225	16/03	21,450.85	+163.83	+0.77
United Kingdom	FTSE 100	16/03	7,228.28	+42.85	+0.60
Malaysia	KLSE Composite	16/03	1,680.54	+6.02	+0.36
Indonesia	Jakarta Composite	16/03	6,461.18	+47.92	+0.75
Thailand	SET	16/03	1,625.57	-10.31	-0.63
France	CAC 40	16/03	5,405.32	+55.54	+1.04
Germany	DAX	16/03	11,685.69	+98.22	+0.85
Argentina	MerVal	16/03	33,933.08	+402.63	+1.20
Brazil	Bovespa	16/03	99,136.74	+532.07	+0.54
Mexico	IPC	16/03	42,210.46	+432.65	+1.04
Austria	ATX	16/03	3,041.67	-0.39	-0.01
Belgium	BEL-20	16/03	3,640.26	+30.62	+0.85
Netherlands	AEX General	16/03	552.18	+7.99	+1.47
Spain	Madrid General	16/03	943.55	+13.13	+1.41
Switzerland	Swiss Market	16/03	9,483.10	+1.20	+0.01
Australia	All Ordinaries	16/03	6,265.06	-1.74	-0.03
China	Shanghai Composite	16/03	3,021.75	+31.07	+1.04
Philippines	PSE Composite	16/03	7,798.28	+47.86	+0.62
Sri Lanka	All Share	16/03	5,616.24	-16.55	-0.29
Taiwan	Taiwan Weighted	16/03	10,439.24	+90.59	+0.88
East Israel	TA-100	16/03	1,418.25	-5.32	-0.37

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