

Editorial
Vol -1, No-I, 24 Sep 22, 07 pages

Biggest event of Q W has gone and next event is after 3 months hence US markets will bounce. Fed is discounted factor. And QW is bigger event with 9 tr \$ options than Fed. Fed will raise 75 bps and markets knows it. Dow RSI fell to 32 which means it has to bounce. Nifty RSI fell to 48 means it has to bounce.

Hercules crossed 210. This is the same one which was not ready to move past Rs 160. Now 4 digit post de merger.

Similarly now you can get Vipul Organics at 170 today as someone trying to control it but trust me in next few months will cross 260 to hit ATH. Time to add with conviction. Add 5000 10000 shares at your will. What is changing in favour of the co...

Co appointed CFO from PIDILITE pigments div which has 40 years industry experience and they have won tenders against PIDILITE and SUDARSHAN.

They have also hired from HAUBACH DIC and SUDARSHAN to make a great selling team.

Co focused in changing product mix from powder to paste which improve margins and also increase capacity as paste require less water and no wastage.

Management hierarchy through young blood. 2 new family chemical background Young Turk joined. One is US CHEMICAL ENGG and another is PHD (Doctorate) in chemicals.

New CHEMICAL ENGG is developing INDIAN biz whereas PHD guy is doing R D. He is launching new products soon.

CO rising above board and introducing high end chemicals of Rs 2500 per kg from current Rs 650 per kg hence volumes and margin growth will be visible in coming quarters.

Change of the week

	23-Sep-22	Rise /Gain
Sensex	58098	732 ↓
Nifty	17327	200 ↓

Net Investments (` Cr)

	FII	DII
19-09-2022	732.2	(94.6)
20-09-2022	1804	131.9
21-09-2022	(278.5)	538.5
22-09-2022	(2227.6)	263.5
23-09-2022	(2899.6)	299.1
Total	(2868)	1138

Turnover (` Cr)

	FII	DII	Combined
23-Sep-22	95,946	59,399	1,55,345

23-Sep-22	Advances	Declines	Ratio
BSE	896	2580	0.34

Co appointed a team professionals in IR which include CA in the team. You can reach easily to IR and PR of the co to understand it well.

Co focused in presentations which is seen from AR.

Many more major changes happened in the co which will make this co as per my vision as Mulit bagger chemical co. Cut and paste this and remind me when it cross 4 digit. It is another ORIENTAL AROMATICS from CNI desk.

EVERY CNI member must possess 1000 2000 of this co for next 3 years to enjoy the high growth period. Those who will have 1% stake will really enjoy as promoters hold 68% stake and NUMERO UNO holds around 10% stake. If you see carefully the shareholders list at least names will be see which will show that big investors are already checked in. One of them is from a very big Chemical co itself and another from Rs 15000 crs pharma co.

I know it hardly makes any difference to you as you will enter with volume like toady I got at least 15 messages that they are buying HERCULE at 210. Can't help and leave it you as money and risk taking ability is yours.

Fall was engineered due to re balancing and to create fear and trigger stop losses. 17500 broke and all became negative and short. Now 17900. I think we should hit the nail of 18650 in Sept as the outcome of Fed is knows and Dow will react positively.

Stocks like Global Offshore, Metal Coating, Sunil Agro, R R metals and AKAR AUTO gives good opportunity to enter at right valuations. We asked to book 50% profits in HERCULES and TRF today. TRF will report Rs 20 EPS in 22 23 and stock will become Rs 1000 but for us not it is zero cost portfolio stock.

Metal Coating will report Rs 14 EPS and hence it is best accumulation stock. Maximum liquidity in this stock is just 3 lac shares.

SUNIL AGRO could be on bloc due to its RAVA biz.

GLOBAL on rate revision stock cannot in no man's land.

R R Metals looking strong and something big coming which I cannot reveal. If want to add this is the right time.

ARTEFACT some guys met management and confirmed the order book of Rs 130 crs. Management may sell 20 lac share to someone but they are looking to sell at Rs 111 per share where they had made pref issue few years back. Sit tight in this stock.

M K EXIM after few days lull sudden buying started

5 Top Gainers			
Stock	23-09-2022	19-09-2022	% Gain
DISH TV	18.9	15.3	23.2
SCHNEIDER ELE	178.2	146.6	21.5
SHREE RENUKA	57.6	49.4	16.4
STERLING	337.3	289.7	16.4
KPIT	660.4	572.6	15.3

5 Top Losers			
Stock	23-09-2022	19-09-2022	% Loss
CAN FIN HOME	518	635.6	18.5
JSW HOLDING	4000	4666.9	14.2
M&M FIN	194.4	226.3	14.0
POWER GRID	202.6	235.6	14.0
TATA INVESTMENT	2429	2763	12.1

Top 5 Picks By CNI 'A' Group
Company
RIL
SAIL
RENUKA SUGAR
ADANI PORT
TATA MOTORS

Top 5 Picks By CNI 'B' Group
Company
SUNIL AGRO
GTV ENG
AKAR AUTO
PATANJALI
BOMBAY BYEING

The fear of FED is not making retail active. This phase come every time and this is the best time to add. After 2 days at higher prices you will see volumes and buyers also. Market is extremely short ahead of Fed event and retail is out of 30% margin call from Dabba traders.

Every time we make same mistake. Fed fed and Fed. It is nonevent and if they raise 100 bps Dow will rise 2000 points take it from me. They will be above the curve with 3.35 % interest leaving absolutely no scope for further hike at least not beyond 70 BPS max. Means rate hike will come to pause. On the contrary if the slowdown continues rate cut will start. Bears talking 14000 again menas 21000 will happen certainly.

90000 crs buyers knows it all. They will buy 90000 crs more do not mind till 21000 Nifty.

Rest leave it you as I do not have much to tell you to all those who go with market fear.

My suggestion will be ad following share.

GTV Engg for 700 2500 3000

Sunil Agro 350

Metal Coating 450

Renuka 120

Aanchal Ispat Rs 80 100 (road show begins)

Akar Rs 350 400

Rest other stocks you know.

Even traders has great opportunity to buy now for 10 15 % returns in 30 days which is as good as annual returns.

For more clarity read our YMV.

Year back I had told you TINPLATE will be merged with TATA METALIK and it happened both got merged with Tisco.

M K, Metal Coating, Sunil Agro, AANCHAL ISPAT and GTV this kind of news will come though can't say on timing.

Read YMV and try to convert in stocks suggested. If you enter with volumes then TRF kind thing will happen where you will not get exit. We gave buy at 126 no one liked. We gave exit at 340 no one liked it as stock was in upper cct. Now at 356 you can't sell we do not like it. Anyways TRF even if you hold for 2 years this price will come as Tisco will be Rs 250 by that time.

Now with Metal merger expect following merges in TATA

In defense space TATA AROSPACE and TATA ADVANCED MATERIALS (Voltas subsidiary) will merge will NELCO.

TTML TATA NEO and TATA Digital and TEJAS all will merge make single DIGITAL platform co which will be massive.

TATA Communication being only co in this space cannot be merged. BUT we can expect a de merger of real estate which will be merged with TATA HOUSING to make a one of the biggest real estate space co.

These are my estimates based on my experience. Rest is your call. As such you rush after chart trigger and volumes.

Nifty will cross 18600 soon

Special feature

2 biggest US events passed with Fed raising rates to 3.25% but leaving the scope of another 115 bps left in 2022. This 115 bps is extension from earlier 10 bps projected because inflation has not under control. This will never come under control due to monetary policy alone. Well, to reach 2% inflation Fed expect this to happen in 2025 which itself is a clear statement that there is no recession in US. Because if recession to hit soon then inflation should also hit 2% soon which is not happening. Neither employment data cooling off. Time and again, I had expressed my views about Q E and its effects. I had also discussed 2008 Q E as well 2020 Q E though size this was 16x. The consequences were certainly unavoidable. I repeat you will have to live with inflation and question of recession is a GHOST tossed up to create uncertainty to take advantage of current situations.

Had this not happened Rs 90000 crs buying from FPI could have taken Nifty to 21000 by now. Well, fact remains, even Fed statement, this time did not talk about recession but centered to inflation. Hard core economist (orthodox) will agree that rate hike is not correct mechanism to control inflation. It is the liquidity which will have its impact for years. We have seen this in 2008 where only 800 mn \$ Q E took place and next round of mere collapse happened in 2020 that is after 12 long years. Dow travelled from 10000 to 37000 in this 12 years. This time Q E is 9 tr \$ (11 times higher) though plans were for 16 tr \$. The impact of excess liquidity is seen so much that after 40 year high inflation demand is not cooling off. And so long as demand is there, markets will go up irrespective of hike in rates. I T lay off is not a true indicator of recession. There were looking for reason and they are using it. Commodity is the only indication of recession. If JSW TISCO JINDAL ADANI stop expansion or acquisition, I will be compelled to think on recession worries. In earlier reports I had shared details of capacity expansion plans of these major players in steel industry. Second leg of economy is cement. Adani acquisition of Ambuja Acc and plan to take past Ultratech clearly suggest even cement is firing all guns.

U S did not even break the recent low though tested 30 K one more time and ready to bounce 15% on straight run. Reason now next Fed meeting is in Nov and another 75 bps is wee accepted. What after that only 40 bps and that it what thereafter? This is given today's situation of 8.3% inflation. Who knows next reading if < 8 %, Dow should be at 35000 and even 36-37 RSI too indicate that. As thought and discussed previously, Fed statements are timed to help certain segments of market so we should not get surprised by the same. U S commodity cycle is also extremely bullish and will sustain for next 4-5 years hence even on this surface I do not see recession. Mind it, FPI which are in buy mode (11 bn\$) could turn sellers once rate cut start after a 12 to 18 months which is inevitable.

Bottom-line is that leave this space to economist and we should focus on stocks. We should go with FPI to make money. They destroy and they make it. When they destroy we should do bottom fishing and when they make it we should be ahead of the curve and buy stocks where they are not present.

We always feel that we know everything, thanks to internet, where most information is available. But this became fishing net and we get trapped easily. At 15200, most of the guys through media and some brokers having large following came and expressed 14500 view and we all learned read between the lines, and got foxed. From 15200 to 18100 and all my shouts went through deaf ears. Well, those followed CNI team made wealth silently as in three months almost all stocks doubled. Even today we are in the fishing nets on recession stories and hence I suggest use this period to change your portfolio from large caps (know that they will be 10 % plus minus for next 12 months or more) to under owned stocks discussed below which will give 100 % + in the same period of 12 months. In real sense it is called loss of opportunity.

FPI do not mind buying micro caps too begin with but our system is layered one. FPI never cut deals with promoters. It is only operators cut the deal grow companies 5x 10x create trading platform where volumes are seen and then invite FPI for participation. E g when I spotted AMD at Rs 28 volumes were on thousands. Only once or twice it crossed 1 lac shares. But when HNI entered at 55 60 volumes were 3-4 mn shares and now all night investors entering and may in next few months (market cap say Rs 500 crs) FPI will enter. Same thing we saw SANDUR MANG3NESE, VISHNU CHEMICALS , VIP, HIMADRI , ORIENTAL AROMATICS, SPIC, CCD, TRF and now Renuka. TRF we exited 50% at 340 after entering at 136 and see what happened. Merger ratio is unfavorable. Of course after 2 years price will match when Tisco rise 100%.

What is accepted by market is 5x of our identification price and hence by default it is our long free portfolio. We should focus on next batch of stocks where street has not accepted and volumes are still in few thousand shares. Stocks which fall in this identification process are GTV ENGG, VIPUL ORGANICS, RDB RASAYAN, METAL COATING, AKAR AUTO , ARTIFECT, M K EXIM, INTEGRA ENGG, ALPIINE HOUSING, SUNIL.AGRO FOODS, TRIVENI GLASS and GLOBAL OFFSHORE. These stocks with less volumes are true indicators of future wealth creators. Each every stock has some hidden trigger and when it surface street will accept it at 5x price. Our philosophy will continue to focus on stocks ignored by street. There are thousands of shares but we know only few and our focus will be there only.

Today read a news that rigs charter rate is set to rise to 5 lac \$ a day from current 2.5 lac to 3 lac \$ a day which means 60 to 80% hike. This will do lot good for companies owning rigs. But at the same it goes without saying that OVS market is too set to explode. Current rates vary from 24000 \$ to 40000 \$ a day which will rise to 50000 to 60000 \$ a day which will help all companies where rate renewal is due. Seamec had done last renewal at 21000 \$ in early 2022 as against 18000 \$ in 2021. They got the early benefit as there renewal was yearly. GLOBAL OFFSHORE is still not that lucky to get its renewal done as they had signed 4 years contract in late 2018. At the same time they will lucky enough they will get maximum advantage of higher rates when due soon. This is how changes Fortunes overnight. Do not look at quarterly numbers till March 23 as they will have some upside due to change in interest after debt restructuring. The real charm will be seen only after revision of charter rates. If you want to read yourself then read 18 19 Annual Report and 21 22 Annual Report.

Markets are extremely oversold whether it is Dow or Nifty. DOW RSI is 35 36 whereas Nifty RSI is 57. DOW is all set to rise again 10 to 15% and so Nifty. Last time when I had predicted similar rise in DOW RSI was at same levels and DOW did a rally from 30 K to 34 K. We are too far away from Nifty new high and we should see this before DIWALI though earlier I was believing this to happen in 2022. Next Fed action is in Nov 2022 who knows what will be next inflation numbers "Expect the unexpected" and with just small drop in inflation DOW will be up 15%. Coupling and de coupling with U S markets depend on Indian operators. However fact remains, India economy is robust, digesting rate hike, revenue is at its best hence we will easily achieve 7-8 % growth which makes India a defiant story where P E 25 is easily justified and 25 P E means Nifty 25000 and therefore expecting at least 21000 is not foolish.

Be intelligent, switch stagnant portfolio into undervalued dynamic stocks which will not only compensate the losses but will give edge through opportunity.

Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	24/09	17,933.27	-214.68	-1.18
Singapore	Straits Times	24/09	3,227.10	-35.97	-1.10
United States	NASDAQ	24/09	10,867.93	-198.88	-1.80
United States	DJIA	24/09	29,590.41	-486.27	-1.62
United States	S&P 500	24/09	3,693.23	-64.76	-1.72
Japan	Nikkei 225	24/09	27,153.83	-159.30	-0.58
United Kingdom	FTSE 100	24/09	7,018.60	-140.92	-1.97
Malaysia	KLSE Composite	24/09	1,424.98	-14.18	-0.99
Indonesia	Jakarta Composite	24/09	7,178.58	-40.32	-0.56
Thailand	SET	24/09	1,631.71	-13.58	-0.83
France	CAC 40	24/09	5,783.41	-135.09	-2.28
Germany	DAX	24/09	12,284.19	-247.44	-1.97
Argentina	MerVal	24/09	142,931.75	-6,549.09	-4.38
Brazil	Bovespa	24/09	111,716.00	-2,354.48	-2.06
Mexico	IPC	24/09	45,395.95	-928.97	-2.01
Austria	ATX	24/09	2,731.46	-101.74	-3.59
Belgium	BEL-20	24/09	3,420.99	-78.16	-2.23
Netherlands	AEX General	24/09	639.28	-18.12	-2.76
Spain	Madrid General	24/09	755.13	-18.99	-2.45
Switzerland	Swiss Market	24/09	10,137.78	-159.87	-1.55
Australia	All Ordinaries	24/09	6,788.70	-132.72	-1.92
China	Shanghai Composite	24/09	3,088.37	-20.54	-0.66
Philippines	PSE Composite	24/09	6,259.54	-42.17	-0.67
Sri Lanka	All Share	24/09	9,964.80	-36.39	-0.36
Taiwan	Taiwan Weighted	24/09	14,118.38	-166.25	-1.16
South Korei	KOSPI	24/09	2,290.00	-42.31	-1.81

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Publisher:

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Mumbai-400057
Tel No: 022-28220323/28383889, Fax No: +91-22-28242220
E-Mail at: chamatcar@chamatcar.com

Printer:

KOKILA GRAPHICS

Printing Press Address:

Gala No-12, Gr. Floor,
Bliss Compound, Nivetia Road,
Malad (East),
Mumbai-400 097

Owner:

CNI Research Ltd

Place of Publication

A-120, Gokul Arcade,
1st Floor, opp Garware House,
Sahar Road, Vile Parle (E)
Mumbai- 400057

CNI Publications, A/120, Gokul Arcade, Sahar Road, Vile Parle (East). Mumbai- 400 057. PH.022- 28220323 / 28383889, Fax- 022-28242220