

Editorial
Vol -1, No-I, 08 April 23, 05 pages

Closing will be in green. TAPO which will benefit from rate hikes in MAHARASHTRA. TAMO will benefit from high EV sales.

Market rally has started.

Micro caps showing power once again.

RDB will be the largest beneficiary of EUROPE crisis hence may report Rs 40 + EPS in 23 24 yet make full due diligence. This stock has always given chance to make money if bought in correction.

GLOBAL FMCG companies have announced takeover of FOOD companies. Food crisis deepen and RUSSIA itself can come under trouble. SUNIL Agro foods look good from that point. I had been shouting to add this stock from 130 levels and now it became 170. Once it cross Rs 207 then there is no stopping for this stock. On charts next target is 250 270 please check as you are better chartist than me.

Stocks which have not corrected and sold by retail in profits will rise the most in the next rally as someone bought with knowingly that there is upside. In this category METAL COATING ALPINE GTV fits. Therefore if are keen to make money first thing you should do is to add these shares.

What if I raise my target of Nifty 37800 to 45000 in coming years.? Even then you will not believe in INDIA story and sell what you have..? If yes then you can never create wealth for you.

In that case either you should leave equity or become only a trader.

Those who follow me take it from me Nifty will cross 45000 also and we will create massive wealth in stocks found early. Honestly tell me how many of you own DUNCAN ENGG which I spotted at 130 and cmp 360 and heading for 1000 +..?

RDB ALPINE METAL VIPUL SUNIL GTV AANCHAL and others all fall in that category where wealth will be created whether you believe it or now. Price destruction is done intentionally so that you can sell in rebound which you masters in. Remind me when I reproduce SUNIL AGRO

Change of the week

	08-Apr-23	Rise /Gain
Sensex	59832	1932 ↑
Nifty	17599	535 ↑

Net Investments (` Cr)

	FII	DII
03-04-2023	558.1	(328.2)
05-04-2023	822.4	(947.2)
06-04-2023	475.8	(997.0)
Total	1855	(2272)

Turnover (` Cr)

	FII	DII	Combined
08-Apr-23	34,183	38,410	72,593

08-Apr-23	Advances	Declines	Ratio
BSE	2395	1167	2.0

at 350 like DUNCAN or GTV at 700 AND that time none of you will own this stock.

You follow trend and I follow assets value.

Oil though everyone now predicting 110 120 will never happen. When it was 140 only was saying I will break 90 and 70 also which have seen the order of the day. Now they are saying 110 120 which not happen. The OPEC cut it to screw short sellers. Russia is still exporting in large QTY.

Now my point when OIL fell from 140 to 70 which was multi years low why MARKETS did not blast as OIL is beneficial to INDIA..?

Hence markets will rise when OIL will rise.

Try to add ALPINE as property prices shot up 100% in Bangalore. The only which have Rs 140 crs inventory ready and have 6000 crs assets. Real estate co has to be valued on Assets size and not EPS and PE. One fine morning we may see Rs 50 crs net profit and stock might zoom to Rs 500 600 700 and we will realize we lost the opportunity.

What we saw in DUNCAN and PRAVAGE may happen with ALPINE. Every investor should have at least 5000 to 10000 shares.

Waiting for Nifty to cross 18000 this time and enjoying the sell on rise rally.

Now funding opened hence buying will come in each and every stock.

5 Top Gainers			
Stock	08/04/2023	04/04/2023	% Gain
DHANI SERVICES	40.77	26.59	53.3
BCG	18.59	14.6	26.9
PAUSHAK LTD	7495	6217	20.5
MEGHMANI	93.52	77.62	20.4
SUBEX LTD	33.79	28.37	19.1

5 Top Losers			
Stock	24/03/2023	20/03/2023	% Loss
KPIT TECH	795.8	925	13.9
ORIENT ELEC	235.7	270.3	12.8
PNB HOUS	458.7	513.4	10.6
CAPRI GLOBAL	583	652.4	10.6
PB FINTECH	593.9	638.8	7.04

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

Top 5 Picks By CNI 'B' Group
Company
MK EXIM
ALPINE HOUSING
INTEGRA ENG
PATANJALI FOOD
ZYDUS WELLNESS

VIPUL reached 108 from 85 low you can see the loss of opportunity. Similar is the case with AANCHAL RDB GTV SUNIL etc where you have missed the bus. Integra was the first to show the power and we will realize this when it become Rs 600.

A foreign real estate analyst confirmed on record that Bangalore real estate prices have shot up 50% in projects where amenities were provided. Township projects have all world class amenities and ALPINE fall in that category. Let us when does it spark. I am just waiting for the day when it cross 130 to hit new high. Since there is no big free float only Robin Hood shareholders also can make major difference to price driving though operator is making all die hard efforts to keep it below 129. Today high was 126.

TTML is on way to cross 100 mark this time.

AANCHAL hit 4th cct in row and may cross Rs 20 where we can see some placement.

SUNIL GTV and ARTEFACT are bang big stocks which are still giving opportunity to make average and bring your cost down.

Anyways when to buy how much to buy or not to buy is your call as you all are intelligent investors.

Nifty cross 17600 as predicted though street was signing for 14000.

G S now says 18500 and 20000 but I fail to understand why G S came at 17600 and not at 16800 may be because it could be part of the system on either side.

Q4 bets could be metal and mining, vipul, alpine, global, integra, M K and akar hence you should tune your understanding with Q4 earnings.

Market now coming in overdrive with improvement in prices. Real estate Metals chemicals cosmetics railways will remain my top picks and will hold for at least 2 years to see many multi baggers. In this criteria I feel M K INTEGRA ALPINE VIPUL RVNL TIVENI METAL COAITNG JAYA NECO and AANCHAL fits.

Special feature

US recession threat, rising oil and continued rate hike by Fed are challenges faced by Indian markets and will remain so as they are created ghosts for market control. If you know that there is no recession then you will buy like anything which is not permitted in Indian systems. Let me make it again clear though I do not know how you will take it as you always try to rely on borrowed conviction. *What media and some big people tell you becomes a BIBLE for you* without application of own mind though you all are so intelligent that you understand better any of the writers. *Another issue could be you want follow big ones on the myth that they move the prices*.

Let us first see US equities. Irrespective of various experts saying 25% crash in US markets and big recession in H2 the US markets refuse to react and have been reasonably steady. It is like SHER AYA SHER AYA but in reality when it come the fear goes away. I feel there will not be any recession given the excess liquidity out of 2008 and 2020 QE which is not allowing to settle down the inflation even after 40 years highest rate hike by US. When inflation is not settling question of recession does not arise. There is enough liquidity to keep the demand stronger. Also keep in mind that none of QE have been reversed and US doing new QE which will in fact raise the liquidity alarmingly. In fact, *I am seeing capex days in western economies to reduce the alarmingly high debt compared to GDP which can be corrected only by raising GDP* as question of reducing debt does not arise. Unless we understand this, reaching to the bottom of inflation, recession, etc is very difficult here is where I do not want to follow anyone and have my own understanding of the subject.

2020 has created a situation where most of the Western Govt stepped out to give guarantees to private loans in order to keep the economy going and in the process they have stepped in the shoes of private banks. For this reason alone they cannot afford to allow any big banks to get shut and that is what we saw in recent times with SVB and CSFB etc This situation cannot get corrected in short term come what it may hence even if some more bank fails in Western world respective Govt will step in to control the damage without any delay hence these will be easily passed on without impacting Indian equity market in a big way which is already trading at steep discount to fair valuations.

On standalone India story, there are various positives that is our GDP still stand highest in the world at 6.5 to 7%, we have 20 lac crs tax revenues, we have 20 lac crs GST collections taking the total revenues past 40 lac crs which is we had never dreamed before 2014. The big capex cycle is started in INDIA, we have 62% domestic consumption to rely upon and CHINA facing resistance in Western countries is again providing a strong platform to India* as far global economy is concerned. When Apple manufactured 30 crs phones it was not a big deal but when Apple set their first store in BKC Mumbai it was a right signal that global players are now destined to India even for marketing. This is real big and will create massive opportunity in real estate which I had mentioned a decade back in my write up that we will see this day. Now Apple, Microsoft, Walmart kind entries could create minimum commercial demand of 5 mn sq ft and 5 mn residential in one CITY and this will benefit Mumbai, Pune, Hyderabad, Guru gram, Bangalore and Allahabad real estate players. *Reuters, Bloomberg and NDTV covered the Bangalore real estate price rally case and compared with YOKYO like situation in Bangalore soon*.

Indian equities have been clustered in few sectors. OIL and Gas, Banks, IT have 72% FPI exposure hence any selling can come in this sector alone. We had seen Rs 2.80 lac crs selling came in 2021-22 which was got absorbed though damaged the value of large caps affecting even retail investors. E g Infosys crashed from 1900 to 1300 but micro caps were the exactly the other way round. Eg Integra Engg rose from rs 53 to 140. I am sure some day this stock too will become a growth stock and we will get buy recommendation from various platforms at Rs 800 1000 like what we saw in Oriental Aromatics, Wimplast, Vip, Shivalic Bimetals, Cera and many others. We should not blame for stock markets if we enter at high prices because we do this always on borrowed conviction and seeing reports from big houses of seeing some big names entering in the stock. E g we had a buy call on ELCON ENGG at Rs 45 50 levels and many have entered at 400 after VK entered the stock so of the stock price correct say to Rs 200 whom would you blame..? Better do BLAME it on RIO...

Hence my advise to retail investors will be to buy sectors where FPI are not there e g metals and auto have less than 4% each exposure makes safe heaven, real estate less than 1%, railways less than 1%. In this also I will suggest to go for value stocks instead of growth stocks. Growth stock like INFY too is prone to 40% correction on even small negative news whereas value stocks are bottom up stories where pain of seeing mark to market is very less though for gains there is always waiting period as stock prices are driven by HNI and FPI and not by retail investors. Yes some micro caps can correct due to supply issues but that should be considered as opportunity. So long as we do not see fraud, management issue or debt burst we should add stocks where we have conviction. Merely 50% fall in price without reason does not make stock bad. In fact, as told you earlier only stocks where potential multi bagger opportunity is seen, operator dent the price to break your back and they are fully equipped to write losses in the books to begin with.

You will be better off if you look at your portfolio value instead of individual stock value. Volatility is product of fear. Current volatility is normal though investors forgot that this as a % normal and this kind of volatility was there even decade back. Fact remains, we tend to see volatility in terms of nos and not as %. When Sensex was 20000 200 points fall means it was 1% fall and now at 60000 1% makes it 600 points. We react massively for 600 % whereas we never used to react for 200 point fall. When Sensex reach 1.25 lac in next 4 years the normal volatility will be 1200 1300 points and even that time we will say market are extremely volatile.

Metal, PSU, Chemicals, Real Estate, Railways, FMCG particularly in Cosmetic, Auto and Auto Ancillary and the sectors one should check in and avoid large IT and Banks. Here too can pick value stock like INSPIRISYS and wait for your turn. We must learn to go with the bull market thumb rule that is buy DIPS. Trading on either side will get unwarranted slaps. With 4 weekly settlement F and O trading is now real pain and one should try and avoid it unless you are part of the system who runs market. We lack protection as available globally to retail investors, we have options designed to suit market drivers and end result of any f and O trader is Big RED and this did not spare to even likes of RJ. Yet you can win in F and O provided you follow certain rules and self-discipline and carry trades for very long time as if you are doing Cash trades in F and O with borrowed funds. Best example is Tata Power never gone below Rs 200 in last 6 months but on the this expiry it went down to Rs 183 to make a bottom. Well though this gave us opportunity to buy Tata Power at the lowest possible price the reason for this was excessive call writing by retail, HNI and some FPI from Rs 190 to 220 series that is more than 30 series. All calls became zero when took the price below Rs 185 and now same stock is at Rs 196 and soon will cross Rs 206 again. Had traders bought puts the price probably could have closed at Rs 220 +.

Every time before expiry, rumor machines become active and this time it was not different. It was Nifty 16000 this time but as mentioned in my previous note they are not done with unless Nifty falls 1000 or rises 1000 points and this time it was upside. Nifty closed at 17660 after hitting high of 17715 which is almost 800 900 points rally from the low. With RBI pleasing with no rate hike, street is still straddled with massive shorts due to SELL ON RISE. This should lead to Nifty past 18000 this time so let us where it goes.

On valuations, I see Nifty at 20000 before Dec 2024 for 2 reasons. First we are trading at 1 year forward PE of 17 as against 5 years average of 26.5 and 32 years average of 25. In 32 years we had seen inflation as well high rates yet we were traded at 25 PE. This equation will be order of the day sooner than later. At 25 PE Nifty fair value is 30000 hence I see at least 20000 which is still at massive discount. Second criteria of valuation is market cap to GDP. Current market cap to GDP is .90 as against 10 years average of .88. The peak ratio was 1.49 in 2007. Recent high was 1.19 hence I see potential upside in market instead of feeling bearish on global factors. One good reason we should see Nifty crossing even 18500 like what we saw in OIL. I will hold my strategy to buy value stocks in the sectors which I have mentioned earlier. Many companies rank in this space yet I will put my neck in stocks which are trading near all-time high in this space and refused to fall in MARCH carnage. They will be first to move. Do not make common mistake of selling winners which we are doing every time