CniGlobalbiz

CNI Publications; Weekly Plattern

Weekly summary

Vol -1, No-I, 13 Jan 24, 8 pages

Editorial

We have recently issued a comprehensive note on Rdb Rasayan, providing a clear indication that the company is currently on an upward trajectory. Despite reaching a new high at Rs 159 and undergoing testing, it presents an opportunity to buy at a near breakout price. For those who may have missed the initial opportunity, it is advisable to consider stepping in and accumulating shares, potentially in substantial quantities.

The company's positive outlook is reinforced by the management's confirmation of the impact of oil, indicating that the financial figures are expected to be robust. Given India's 7% GDP growth, the packaging sector is likely to perform well, and Rdb Rasayan, being based in Haldia, enjoys the advantage of easy access to raw materials from Haldia Petrochemicals without incurring transport costs. Furthermore, the company's sales to carbon companies like Phillips Carbon, along with exports all handled at Haldia, contribute to a streamlined operation without additional transport requirements.

Rdb Rasayan operates a state-of-the-art green plant adhering to German standards, boasting a solar-powered roof. With Rs 100 crores in cash reserves and an annual cash generation of Rs 50 crores, coupled with a rising book value, the company stands out as an attractively valued stock.

Despite the significant potential, the stock remains affordable on various valuation criteria. The current book value is Rs 99, expected to rise by Rs 25 to 30 annually. Noteworthy is the absence of promoter Mr. Vinod Dugar, worth Rs 25000 crores, on the board, highlighting the professional management of the company.

Maintaining focus on the stock's performance, as long as it remains above Rs 140, the first target is expected to be Rs 250.

In a similar vein, attention is directed towards Vipul Organics, identified as a potential stock of the decade. Following the Saikha plant's establishment, the company is anticipated to be a formidable player in the chemical sector, akin to the success story of SRF. The turnaround in the chemical sector, after six challenging quarters influenced by the China factor, positions Vipul Organics favorably.

Change of the week

	13-Jan-24	Rise /Gain
Sensex	72568	544
Nifty	21894	186

Net Investments (` Cr)

	FII	DII
08-Jan-2024	285	155.9
09-Jan-2024	(537.0)	104.2
10-Jan-2024	(1650.7)	2080.0
11-Jan-2024	(775.4)	1607.0
12-Jan-2024	(340.0)	2911.1
	(3017)	6857

Turnover (` Cr)

	FII	DII	Combined
12-Jan-24	1,12,752	1,06,887	2,19,639

12-Jan-24	Advances	Declines	Ratio
BSE	2066	1787	1.15

With a Q2 revenue of Ra 36 crores, expectations are high for an even stronger Q3 performance, with projections ranging from 45 to 50 crores. Having secured a spot among the top 16 BSE 500 companies consistently in profits, Vipul Organics is poised for substantial growth, with a vision of reaching four digits, crossing Rs 265 in the near future.

Reflecting on past recommendations, Unique Organics has reached Rs 102, Artefact exited at Rs 94 following numerous queries, and Ratan, despite challenges, stands at Rs 88, with an unwavering vision of reaching Rs 500. Notably, Ratan has entered the MSCI small-cap index, and the trajectory of GTV at Rs 530-550, with daily volumes of 5000 shares, aligns with the projected trajectory.

Addressing concerns about short-term market fluctuations, the note emphasizes the importance of patience for investors. The mention of ongoing queries on metal coating stocks is met with a cautious suggestion to exit, highlighting the unpredictability of market dynamics. The note concludes by underscoring the dual approach of chart analysis and business evaluation in making stock recommendations, boasting a commendable 90%+ strike rate. This high success rate is attributed to a focus on both short-term and long-term potential, anchored in the common thread of consistent stock performance.

How money is made. It is made simply out of conviction. Now we shared RDB plant visit report and how RDB is heading for big upside with Rs 60 off crs profits. It is replica of ELECON ENGG which we gave at Rs 70 90 and then even at 17 and today it crossed Rs 1000. RDB 1st target is Rs 250 then 500 and then could be 1000 + so acquiring in size is possible even now. If you missed opportunity this is a last chance. Why the sellers not sold when stock was 153 upper cct 77000 shares…? And now selling at Rs 140 also means they are not interested in selling but creating artificial market so that retail should sell in panic. Now we made position clear. Will suggest to buy 10000 shares and hold sell 50% at 500 and rest carry.

Investment Precision will be 20X as it is the second company in INDIA which deals in titanium castings for aero planes. First is PTC which is trading at Rs18000 even without manufacturing titanium as their ingots have not yet reached co. Choice is yours to buy at 18000 or 700. It is better spend Rs 12000+ GST and read the research report.

5 Top Gainers

Stock	12-01-2024	08-01-2024	% Gain
NETWORK18	124.2	92.9	33.6
MSTC	766.7	627.1	22.2
AVANTI FEEDS	546.7	450.7	21.3
EASE MY TRIP	49.6	41.4	19.7
TV18 BROADCAST	1548	1300.6	19.0

5 Top Losers

Stock	12-01-2024	08-01-2024	% Loss
COCHIN SHIPYARD	753.9	1361	44.6
POLYCAB INDIA	3981.3	5399	26.2
INOX WIND	440.7	510	13.6
ZEE	250	282.6	11.5
KEI IND	2987.2	3371	11.3

Top 5 Picks By CNI 'A' Group

Company
RELIANCE IND
TECH MAHINDRA
TATA POWER
HCL TECH
TATA MOTORS

Top 5 Picks By CNI 'B' Group

Company
HARSHA ENG
BBTC
PATANJALI
BF UTILITIES
CMS INFO

Global offshore could a jackpot stock as charter rates rose to 30000$ due to demand supply equations. There are no new vessels available. Old vessel's price have shot up to 19 to 22 mn $ from current 11 mn $ that too Chinese. Norway closed industry hence Norway vessels not there in market. Current Norway vessels is priced at 40 mn $ even for 2nd hand as SHELL BP all prefer Norwegian vessels due to safety in mid sea.

Toy exports rose 309% in FY 23.24 Archies keep under radar. M A has 2 options either spend another 1000 crs to make Hemley's viable or buy ARCHIE's say at 200 crs and add to the footfalls. Archies has 222 stores and massive infrastructure of manufacturing which is missing in Hemleys'. To claim PLI scheme manufacturing is must.

Zee hold as we believe this is planted story. The deal is on. In Ban only long ones can sell cant buy. Hence manipulation is possible. When you trust GOYAL and DUGAR this is bound to happen. Had you taken 25000 RDB instead you would have been in safe hands. RDB will also cross 1000 and Zee can cross only 500 so more risk of capital is in zee than RDB but volumes is the Hobson's choice.

Why Apolo Sindori running..? They have 3000 meter parking lot at AYODHYA which has become valuable property. They also have many outlets in AYODHYA. Stock will do Rs 3000 + soon.

Why Triveni is hitting upper circuit..?

The distance between PRAYAGRAJ and AUODHYA is just 170 kms. It is less than 2.5 hours. Triveni glass developing 74 acre land at PRAYAGRAJ which is surrounded by 2 airports, 5 railway stations, 5 National highways, Saraswati hi tech city and many more.

Triveni Glass Ltd., which is located along NH-35 (Allahabad-Rewa Highway; 4 lane road) and near Iradatgang Railway station, which is approx. 20 Km away from the heart of the city (Civil Lines & Allahabad Junction). Iradatgang Railway station is declared Junction, and in near future, the station will be utilized for plying train towards Mumbai/ Jabalpur/ Katani/ Itarsi and Metro / local train will be running from here to connect the city. Moreover, a 65km long ring road has come up from Iradatgang to link Rewa highway-Mirzapur highway- GT road.

With UP at the center stage and AYODHYA difficult to get hotels and residence people are preferring now PRAYAG RAJ as alternative location and rates which were at Rs 6000 2 years back have scaled to Rs 12000.

The approximate FSI available will be 55 lac sq ft and sale price is Rs 10000 to 12000 currently as even RING ROAD is completed. Assuming the bare minimum of Rs 10000 minus cost of construction Rs 1500 the clear profit will be Rs 6300 crs minus 25% tax which leaves expected cash flow of Rs 3465 crs. Assuming promoters show only 50% still it will be Rs 1732 crs and no of shares are only 1.2 cr shares.

Officially promoters show 6% holding though they have 50%. Check via ZUMBA who are promoters of private listed companies.

Also 3% is held by relative of R J in fund name.

Stock has seen massive buying in this week and could cross Rs 34 once done could be SKY is limit. My calculations come to Rs 1444 though it might take few more years. Co has not yet announced booking of flats though they are ready now.

Why Global offshore rising. ?

This penny stocks where insurance companies sold 2 mn shares and some HK based NRI too sold. Another big HNI who was stuck sold 7 lac shares. Thus total selling was more than 3 mn shares which matches with the holding if CITI Bank before they made exit. Thus all free float has been cornered. Promoters reduced Rs 4000 crs debt to NIL. Rest of some 10 15 crs debt is from family members which cannot be considered as debt.

Though his timing of selling vessels was bad he could acquire some new vessels and deploy. Getting vessels is difficult at first place and if someone get it getting SHELL BP Petronas etc's even visiting card is difficult whereas this man has been doing business for 3 decade.

Technically all those who had no confidence in the co have sold shares and share has being hitting new highs. Rs 69 is again a created resistance which it will cross before week end then stocks may settle at 100 120. With 3 mn shares cornered by some marquee investors (names I cannot disclose) only thing I can say is that stocks is due for R 120 before it test Rs 234 after March 25.

Shortage of vessels and 300% rise in charter rates will be key drivers of change of fortune of this co. Do not mind if I tell you this industry has capability to raise IBITDA profits to Rs 100 crs from no where. In the past one vessel co bought at 27 mn $, earned 15000 $ a day for 5 years from SHELL and sold that vessel after 5 years at 39 mn $. Rest you have to understand. I can write 2 books on this industry.

Had you had the M K report, Investment Precision, Apolo Sindoori report at Rs 12000 + GST you could not have sold shares at small profits. These are the multi baggers. We had also issued reports on Triveni Glass, Vipul Organics and Akar Auto. Our next report are coming on GTV ENGG, RDB Rasayan and BBTC so keep watch on these stocks. Notes may be there which is only for you but reports go to FPI.

Getting notes in R I section is different and getting report which we share with 3900 FPI through our channel partners is different.

Nifty will not go down so rest assured.

RDB Rasayan, Lahoti, RIBA, Metal Coating, Global Offshire, Alpine, Triveni Glass, Vipul Organics, BBTC, Tirupati Starch, Akar, M K , Integra, Inspirisys, SEPC, HCC, Madhav Infra, Swiss MIlitary will become multi baggers. Each of them have potential like Himadri USHA and Praveg.

We have selected stocks from each sector so that we are focused. Rationale shared with you all. Any stock from the above list we can explain any time why this will become multi bagger. They are growth stocks. Read more in YMV tomorrow.

IF you follow CNI you will be winners for sure rest is your call.

Market nearing 22000 on back of better than expected IT numbers. We believe worst is over for IT stock and may see infy, TCS, HCL to hit new highs soon. Keep watch.

We have issued buy research report on MK exim at 125 current price is 170.

Lots of speculation happening in Zee. We believe stay long on stock. Dish too looks great.

Vakrangee can double.

Reliance is leading from the top. Can cross 3000 soon.

Special feature

The current buzz in the market speculates whether Nifty can reach 22,124 on 22-1-24, coinciding with the auspicious day of Jai Sriram in Ayodhya. This intriguing possibility is fueled by the belief that influential entities, possibly supported by the government, are orchestrating market movements. The public sector undertakings (PSU) are anticipated to experience a surge, particularly stocks such as ONGC and BPCL, following the recent downgrade by Goldman Sachs. The rationale behind these downgrades is questioned, as the Indian government displays a robust 7.3% GDP growth and a noteworthy 20% increase in spending. Skepticism arises, suggesting ulterior motives to manipulate stock prices, given the historical pattern of significant rallies following downgrades.

An illustrative example is the case of Zee stock, which plummeted from Rs 290. Informed investors took advantage of the situation, purchasing over 8 crore shares during a ban on fresh positions. The stock was under negotiation with Sony, and a sudden media report suggesting the deal's potential cancellation triggered a cascade of events. Although the report used cautious terms like "may," the damage was done, resulting in a lower circuit opening for Zee. Retail traders, fearing further losses, hastily squared off their long positions at Rs 250, incurring a substantial 14% loss. Zee later clarified the misinformation after four hours, leading to the stock's removal from the ban. Questions arose about the media story's authenticity, potential payment for the report, and the motives behind triggering the turmoil. Zee's delayed response and Sony's subsequent clarification added layers of suspicion, casting doubt on the integrity of those involved.

The episode underscores the risks associated with trading in futures and options (F and O). Unpredictable events can unfold, causing significant price fluctuations. The importance of options premiums for market operators is highlighted, as illustrated by the Rs 290 Zee call options. Cautionary advice is given to those engaged in delivery-based trading, emphasizing the need to exercise prudence in F and O activities.

Amidst this market turbulence, the commentary shifts to a more optimistic outlook, suggesting that the Zee saga may present opportunities for strategic acquisitions. Companies like Reliance and Adani, hungry for assets like Zee, could potentially make higher bids if the Sony deal falls through. Additionally, attention is drawn to Dish, a star performer within the group, exhibiting a breakout on chart patterns. The stock is viewed favorably, with potential to surpass Rs 55-60 swiftly. A comparative analysis positions Dish as a superior investment option compared to YES and SUZLON, urging investors to focus on its promising trajectory.

The past week marked a consolidation phase in the market, characterized by consistent volatility. In contrast to the preceding month, which witnessed a nearly 2000-point surge in Nifty, double the anticipated monthly target of 1000 points, the current scenario is more subdued. The Dow and Nasdaq indices reflect a similar sentiment, where the usual 1000-point volatility has been augmented by the outcomes of three state elections. Regardless of the circumstances, a firm belief in Nifty reaching 40700 provides opportunities with every dip, albeit hindered by the intricacies of human psychology.

Investors often face challenges in timing their stock purchases, especially when prices are at their peak. The common scenario involves a purchase triggered by access to top sources, but when a correction occurs, financial constraints and triggered stop losses come into play. This dichotomy often results in a precarious financial situation, marked by a RED balance sheet. Despite earning in cash, many find themselves losing in F and O, yet the allure of trading in derivatives remains high.

As the corporate earnings season approaches, with TCS and INFOSYS results eagerly anticipated, attention is drawn to the IT and pharma sectors. While overall earnings are expected to be robust this quarter, uncertainty shrouds the performance of the IT sector. FPIs have a substantial stake in IT, pharma, oil, and financials, accounting for over 65% of combined ownership. The outcome of earnings will dictate their investment decisions, potentially impacting the NAV of their AUM. If IT disappoints, selling pressure on stocks within these sectors may intensify.

Infosys, which has faced challenges in the past two years, consistently finds buyers around Rs 1200, indicating a perceived intrinsic value. Technical calls often predict a rise to Rs 1500, leading to trader traps. A poor result may see Infosys revisiting the Rs 1200-1250 range, with a potential rebound towards Rs 1500 in the subsequent three months. However, a true revival for Infosys is contemplated only above Rs 2000.

Despite the prevalent expectation of lackluster numbers from Infosys, a contrarian view suggests the possibility of surprising the market and beating street expectations. Such an outcome could potentially propel Nifty beyond the 22000 mark. The suggestion is to consider going long in Infosys, acknowledging the associated risks, as a positive result could lead to a substantial 20% upside and support the broader Nifty rally.

Shifting focus to current recommendations, buy calls on stocks like Vascon Engineering, Usha Martin, Himadri Chemicals, Praveg Communications, and others evoke pride in the CNI team. These stocks, having become 10-baggers, are gaining recognition in street recommendations. The CNI team, confident in its projections, advises holding onto these stocks in the PL 65 (zero cost) portfolio. The strategic advantage of holding shares at zero cost is emphasized, with a recommendation to refrain from selling until these companies cease to perform. This historical success story sets the stage for anticipated gains in the current recommendations.

Hence stick with core principle sell 50% on 100 % rise and rest transfer to zero cost portfolio.

The latest set of recommendations from CNI includes promising picks such as Praxis, Loyal Equipment, TTML, Hindustan TIN, Gulf Petroleum, Betex, D H India, Shetron, Calcom, Archies, Global Offshore, Triveni Glass, BBTC, Akar Auto, M K Exim, Lahoti, RIBA, Metal Coating, Integra Engg, Madhav Infra, HCC, SEPC, JCT, Anmol, Alpine Housing, Tirupati Starch, Maral Overseas, Inspirisys, Swiss Military, Arihant Foundation. These stocks are projected to become 10-baggers over time, following in the footsteps of previous successful picks like Himadri, USHA, and Praveg.

CNI emphasizes that their picks are the result of thorough investigation and detailed analysis, regularly shared with their audience. Each of these stocks is believed to carry significant potential, akin to the previously successful recommendations. For those who have been following Chakry's comments on Wednesday, the surge in Apolo Sindoori, Triveni Glass, and Global Offshore is explained. CNI stresses the importance of reading and gaining knowledge, highlighting that free knowledge can be powerful. While they could share such insights freely, they maintain that knowledge becomes a commodity in that scenario, which is not in line with CNI's principles.

The recent action in Sunil Agro, triggered by a 20% circuit limit, is explained by India's announcement that it will become the world's largest exporter of SUZI. Sunil Agro is identified as a key player in this sector, with the potential for significant revenue growth. Despite a current market cap of only Rs 60 crores, the company's capacity allows for revenue potential of Rs 1000 crores.

CNI has already shared research notes on most of these companies as part of their paid product. Notably, Apolo Sindoori, Vipul Organics, Akar Auto, Investment Precision, and M K Exim gained market acceptance following CNI's research reports. Upcoming reports on RDB Rasayan, BBTC, and Sukhjit Starch are anticipated to be well-received by the market.

BBTC's potential surge to Rs 4500 to Rs 9000 is grounded in its market cap of Rs 10,000 crores as a holding company of Britannia, which itself is valued at Rs 1.30 lakh crores. With three potential buyers for Britannia, and considering a holding company should command at least 50% of the valuation, BBTC's fair valuation stands at Rs 32,500 crores, laying the foundation for the initial target of Rs 4500. The realization of the Rs 9000 target will unfold when the anticipated event materializes, evidenced by a significant purchase of 14 lakh shares in a single day, indicating potential inside information. Further details will be shared at the appropriate time.

CNI distinguishes its research reports from others in the market by emphasizing their impartiality. While other reports are often created by brokers mandated to sell shares of the mentioned companies, CNI's intent is not driven by generating broking income. This impartiality has gained respect from the FPI segment, with more than 3900 FPIs reading CNI's research reports. These reports are accessible on six global platforms, contributing to their widespread readership among the FPI community. The realization of the impact is often evident when FPI analysts engage in conference calls based on CNI's research.

Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	13/01	16,244.58	-57.46	-0.35
Singapore	Straits Times	13/01	3,191.72	-9.69	-0.30
United States	NASDAQ	13/01	14,972.76	+2.57	+0.02
United States	DJIA	13/01	37,592.98	-118.04	-0.31
United States	S&P 500	13/01	4,783.83	+3.59	+0.08
Japan	Nikkei 225	13/01	35,577.11	+527.25	+1.50
United Kingdom	FTSE 100	13/01	7,624.93	+48.34	+0.64
Malaysia	KLSE Composite	13/01	1,487.34	+4.34	+0.29
Indonesia	Jakarta Composite	13/01	7,241.14	+21.17	+0.29
Thailand	SET	13/01	1,413.53	+5.29	+0.38
France	CAC 40	13/01	7,465.14	+77.52	+1.05
Germany	DAX	13/01	16,704.56	+157.53	+0.95
Argentina	MerVal	13/01	1,033,122.75	-10,801.25	-1.03
Brazil	Bovespa	13/01	130,987.67	+338.92	+0.26
Mexico	IPC	13/01	55,607.07	+168.32	+0.30
Austria	ATX	13/01	3,398.61	+0.38	+0.01
Belgium	BEL-20	13/01	3,684.03	+24.59	+0.67
Netherlands	AEX General	13/01	781.86	+7.32	+0.95
Spain	Madrid General	13/01	995.53	+7.87	+0.80
Switzerland	Swiss Market	13/01	11,226.40	+72.78	+0.65
Australia	All Ordinaries	13/01	7,730.54	-6.26	-0.08
China	Shanghai Composite	13/01	2,881.98	-4.67	-0.16
Philippines	PSE Composite	13/01	6,643.18	+29.45	+0.45
Sri Lanka	All Share	13/01	10,610.53	-9.07	-0.09
Taiwan	Taiwan Weighted	13/01	17,512.83	-32.49	-0.19
South Korei	KOSPI	13/01	2,525.05	-15.22	-0.60

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