

Editorial
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There is no reason to panic. Sept we have not seen FPI selling except FRIDAY where Rs 1800 was stock was sold. Till that time the net figure was Rs 1500 crs plus which clearly indicate that FPI and operators were hands in glove for creating the unwarranted panic to throw investors and traders out of the system and they have succeeded to some extent. This is always done when market has to rise more. They will allow your entry now at 12000 only.

Sensex opened 500 points gap and will remain volatile for the day but closing will be in green. The prices are made so mouth watering but your mark to market will rather make you exit at every rise. And this is the exact game plan.

Had this issue disturbed them at all then they could not have bought Rs 47000 crs in AUG. This explains everything.

Have patience and we see through this crisis also.

10770 is 200 DMA and hence this was done intentionally. They broke 200 EMA and not DMA and now Nifty bounced to 10900. Very soon we will see at 11200 and thanks to RIL Larsen HDFC SBI TISCO TAMO all will contribute to Nifty. RIL weight itself is 16%.

Best feature of this correction was no big drop in midcaps and small caps. Only large caps were affected because you were long in large caps only. From JAN small caps has to rise so operators are now accumulating small caps that is the reason they were not falling. 5 to 10% fall is small cap is no fall at all. In fact stock like ARVIND has recovered lost ground very quickly.

Change of the week

	01-OCT-20	Rise /Gain
Sensex	38697	1355 ↑
Nifty	11417	379 ↑

Net Investments (` Cr)

	FII	DII
01-Oct -20	1632.2	259.4
30-Sep-20	(265.2)	409.4
29-Sep-20	(1065.9)	576.5
28-Sep-20	524.2	542.3
Total	826.4	1787.6

Turnover (` Cr)

	FII	DII	Combined
01-Oct-20	46,033	23,356	69,389

01-Oct-20	Advances	Declines	Ratio
BSE	1501	1183	1.26

Well, very soon we will see TAMO rising past Rs 150 again and then the target of 197 will come easily. All stop losses in this stock has been hit hard. Bharati is calculated BUY now with first target of Rs 520. Now it need to cross 529 for reaching Rs 750. 529 is 200 DMA. Since stock has fallen with huge volumes below 200 DMA it is not easy for BHARATI to cross 529 as lot of selling will come around that level. Operators will use all power not to allow this stock to cross 529 easily. Now even SUNIL MITTAL who raised funds easily will be crying. Once again it is proved that when liquidity is created in any stock through QIP at any price the stock will start correcting at some or other point. We have seen this in KOTAK SBI ONGC Axis etc. So going by that logic even RIL stock is posing a imminent threat of correction in time to come.

But this is market. CO's will not raising funds and FPI will not stop distorting them with the help of additional shares even at the cost of losses.

Therefore small investors should always learn to buy stocks which have not gone in fund raising. Destruction comes from the DII and FPI only. Many stocks have potential to become 10 bagger whereas many A gr stocks have corrected more than required which can give 10 to 25 pc upside so choice is yours.

India stimulus and US stimulus both sparked rallies in INDIA and US. Well the statement that stimulus is coming came on Friday and not Thursday. Thursday was expiry day where V WAP selling of Rs 1800 crs took market down by 1100 points which normally cannot happen even with 4000 crs selling. On Friday market went up by 800 points with no buying. Well but that engineered fall damaged the traders, triggered stop losses, margin calls and fresh shorts. What more the bulls wanted on Friday. Then the statement came. All became good with no retail daring to buy.

Now Nifty reached 11150 and will cross 11500 in no time and retail will not be able to buy. Short sellers if could not cover then will try to take Nifty past 12000.

Those who bought on CNI advise are in money.

Well, there is still left lot of steam in many stocks which you can enjoy. B gr will be the sector to watch in 2021.

5 Top Gainers			
Stock	02-10-2020	28-09-2020	% Gain
HIMATSINGKA	108.75	80.5	35.09
BLISS GVS	176.8	146.7	20.48
PVR	1301.5	1100.95	18.22
TRIDENT	7.93	6.71	18.18
ADANI GREEN	747.0	647.85	15.31

5 Top Losers			
Stock	02-10-2020	28-09-2020	% Loss
CENTRAL BANK	14.02	16.2	13.46
VODAFONE	9.24	10.36	10.8
REL INFRA	21.5	22.9	6.1
BPCL	353.2	375.6	5.95
REL POWER	2.72	2.8	5.88

Top 5 Picks By CNI 'A' Group	
Company	
RIL	
SBI	
ICICI BANK	
GODREJ IND	
BRITANNIA	

Top 5 Picks By CNI 'B' Group	
Company	
HDFC LIFE	
ZYDUS WELLNESS	
ROSSARI BIOTECH	
SHEELA FOAM	
PHOENIX MILL	

DISH TV too saw 975 pc rise in JAN call series which clearly suggest that DISH sell deal will happen in JAN and it should happen at rs 19 to 20. This target I had given 15 days back. Most likely RIL will buy DISH as Bharati is facing Bharati tried to recover past 442 but short sellers are still active but when Bharati is not seen in affected category as far as customers are concerned this stock has to fire. In fact no of analysts are now questioning JIO subscriptions. Bharati is raising funds Bangala desh so it will raise in INDIA also. The game is clear. buy stuff at low allow the price to rise and then make announcement so that there will be treasury gains. Bharati will cross 500 come what it may. Sources close to MGT started accumulating. Morgan set target of 725 though stock is falling. CLSA set target of 650. It means everyone is struggling with the stock. Whereas stock is in extremely oversold position as bears have upper hand. The moment stock cross 483 it will rocket towards 550 then 650 760 etc. It is better to hold in delivery instead of gambling this stock.

Why funds bought IIFL till 97 with heavy volumes...? Now at 81 why no buying. The stock is kept low with low volume so that stuck investors can exit. Same thing is true with L G Balakrishnan. Both these stocks will give 20 pc return in no time provided you buy and hold. The volumes will rise suddenly and stock will rise 20 pc.

TATA motors when target was raised to 155 by funds and buying seen till 155 why would it crash to 122. given this opportunity if you would have bought you will make money. Now stock cross 132 and will start firing. It has to cross 155 and then 182 then 250.

Vipul organics has announced better results and holding AGM in time. Watch next few quarters. though results are going unnoticed stock price I believe will rise to 1500 in next few years. Same thing with wockhardt and Camlin.

After 1400 points rally and firm opening day traders goes long and market corrects. This is a normal feature. Dow made markets open in green and touched 11298 where some profit booking should have come and it came. Long ones booking profits and fresh shorts getting triggered.

I feel market will rise in the second half once long and shorts get adjusted and Nifty will cruise towards 11600 now.

Keep eye on LTFin and IIFL 2 stocks which can surprise street now. IIFL debt downgrade means buying in stock.

Fear will not allow you to buy and greed will not allow you to sell. Hence if you want to make money be fearless and greedless. Buy when everyone is selling and sell when everyone is buying. Now Bharti every gr is in sell mode. reason that the ARPU will not rise as JIO crashed to rates. Well when Infy crashed to 620 on governance issue whole world was seller and I had told this is sabotage and stock will rise to rs 1000 and it is. Now take it from me BHARTI fall is also a sabotage and it will cross 750 in next 3 to 6 months and we will see whole bunch of jokers buying this stock again.

So if you are shrewd investors buy and hold this stock. Every dog has its day .

Many stocks will deliver from current levels. Hold them.

After reaching 11300 some volatility is not ruled out as traders are still believing sell on rally. Whenever this happens market too create a pitch for sell so that many short sells can get trapped. 200 DMA is now distanced to 10750 hence the gap suggest you cannot short big. I personally would become negative on charts only if 200 DMA is broken.

Now results calendar will start from tomorrow and this month there will not be big rally. In result month stocks move on results. Most of the stock are going to correct post result even if the results are good and some stocks where results are bad may rise. Better will be to avoid results play though it is very difficult as traders have good (unreliable) source to get insider information on the basis of which they trade.

So focus on value stocks in Oct. Co's which are going to announce good results are in chemical sector especially Camlin and vipul so focus on these 2 stocks. IIFL will see major buying. LtF will be stock of the settlement if the news of MF sell comes through. Centrum another stock based out on news of wealth sale. Raymonds a research report has been issued by LKP with target of Rs 485 though I believe it will be much higher target.

Traders and few analysts have rated Bharti in junk stock and advising clients to sell. This is really good id stock is getting oversold. Today at 1.3 co is holding a press conf. There cannot be a negative news in press conference. Also there is nothing to announce something for distribution of stock so logically looks like good announcement can

come and stock can fire. J P M has already issued report with Rs 750 target. Now Bharati is in the same state where INFY was 2 quarters back when the issue of corporate governance came up. People behind the stock are also same. They are long at 580 and they are adding. I am sure they cannot make losses and hence there is fair chance that Bharati will rise to 750 surely but slowly. Till 526 it will rise with help of stepni that is news. After 526 it will not require any support.

Auto companies has to do well as they were crying unnecessarily. They have raised prices by almost 60% in many cases and hence there is no reason that this sector should do bad. Honda Jazz which was available at Rs 6.6 lacs few back is now trading at rs 11.6 lacs and SKODA rapid rose from Rs 10 lacs to Rs 16 lacs which suggest that this sector is crying unnecessary. The demand is not going down. Therefore TAMO could be the best choice in this sector. In auto component I feel L G bala is the best choice.

In shipping keep eye on LANCER nos. In cement SANGHI is a sound bet.

RIL inflow first in jio and then in retail seems well engineered and structured inflow as it has been coming every week to support the share price.

Yesterday we had mentioned that DOW will turn positive and it did.

Nifty 11400 seems to be the limit as of now. 11300 seen good built up hence breaking 11300 seems difficult for the day.

We should be really careful between 11400 and 11620 and once it cross that level then blinder rally will happen.

Auto sales nos for Sept will be robust considering the fact that dealers are asking more deliveries due to festive season ahead.

Mumbai real estate prices are improving and crossed pre covid rates and in fact up by 4 to 5 pc hence real estate stocks will do well. B dyeing and Raymonds will do well.

Bharati nothing came in the press conf. Stock hit to 420 again on disappointment. But rose to 430 again. It seems 420 is getting is good support. If cross 445 447 then the trajectory will change and it will happen soon. If breaks 415 then can go to 390. So wait for the clarity.

Global Story

Nifty crossed and closed at 11400 plus on the weekly expiry day following good recovery in the Dow Jones. Earlier market corrected on Dow fall though we had mentioned that the course of market will remain bullish. We had also mentioned in our last report that US will be considering 2 tr USD stimulus and yesterday night they have announced 2.2 trillion USD stimulus. The flow of liquidity will definitely drive the market higher.

Our analysis of FPI behaviour and selling only on the expiry day about Rs 1800 Crs worth stock help investors to buy in the dip. It was clear the WVAP selling on the expiry day was to keep the prices low and eat the calls and puts written on both side. Market took U turn from there and rose from 10800 to 11400 which was 600 points rally in just less than 5 trading sessions indicating that we are still in a bull market and only buy dips strategy will help investors.

One has to understand the timing of releasing 2.2 trillion USD stimulus by U S Fed. It is done just ahead of elections. Now out of 13 trillion USD expected spending they had done around 2 trillion USD from March to Sept which propelled DOW from a low 18000 to a high of 28000. Now another 2.2 trillion USD spending clearly suggest that writing is clear on the wall. DOW is heading for 30000 soon that is a new life time high. When DOW is the dream run how can Nifty lag behind. Even Nifty will test new high very soon that is it will cross 12400.

But when..? Sept month had seen a roller coaster of 600 points Nifty which have helped reduced positions of traders due to stop losses and new margining mechanism. Will the rally happen in OCT itself or will happen in Nov is the important issue to understand. The dilemma is due to the fact OCT is a month of calendar results of Q2 whereas Nov is the month of US elections and hence could OCT turn out of a nervous month from the trading point of view.

Q2 results will be not good year on year because the impact of Covid 19 is not yet over. Though the economy is coming on track slowly it is far from comparison a year back. However when we talk about quarter on quarter q2 results will be much better as q1 was almost a dead quarter. Therefore though primary YOY nos will look bad the QoQ nos will be better. But we need to compare with expectations. Generally in result calendar market does not run as most of the stocks correct on good nos due to insider trading. Hence it is difficult to suggest the big rally cal happen in OCT. At the same time the speculation on US president will keep DOW on pendulum in OCT which may even keep Nifty on pendulum suggesting high volatility. To counter this there could be heavy to heavy FPI buying due to 2.2 tr USD spending. Hence the logical course of action could investors should not try to ride on the rise and follow only a BUY on DIP strategy.

First evidence of good Q2 nos has come from AUTO co's. If look at Sept months Auto sales nos at least 3 cos we are tracking have announced superb nos they are Maruti, Tata Motors and Hero Motors. This is purely on account of fresh demand from dealers ahead of festive season. We cannot forget that fact there was no sells practically till July as dealers were stuck in huge inventory pre Covid. Now that they were able to cut reasonably inventory prompted them to refill the new inventory which is reflecting in the AUTO sales.

2014 to 2016 no of events such UP election, US election, Demonetisation market was nervous every time but the end result was a big rally effectively more than 50 pc. Thus it was proved that even though market was nervous on TRUMP win in 2016 there was big rally. The major reason of cautious approach of investors. Even this time history is repeating. The Covid 19 is bigger a event than all the events mentioned earlier. Coupled with outcome of US elections the nervousness is in fact double than what we had seen in 2016. Hence we reasonably believe that there will be bigger rally than what we had seen in 2016. The impact of 13 trillion usd spending will be felt over next 5 years hence we will see the rally continuing till next US elections which will coincide with India elections. We do believe that Dow is all set to cross 3600 irrespective of the fact who wins the election in US. If trump then straight away rally as street is now in favour of Trump due market friendly policies. If no TRUMP then there will be knee jerk reaction of 10% correction and then again the rally towards the same destination. In short we will see Dow 36000 in 2021 and as told earlier to you DOW will cross 80000 before 2024. Hence investors will do well only buying in dips and holding with long term perspective.

India is gaining traction in no of sectors thanks to CHINA and USA. Indian pharma is gaining headwind due to USA demand whereas chemicals and steel is gaining due CHINA factor. CHINA itself has turned large importer do chemical and steel from INDIA. The way global investors have chosen investment in RIL JIO and RIL retail the future of data companies and FMCG / retail is hugely opening up. This will open the way of MNC retail entry in INDIA like WALMART

etc on bigger scale. For this there has to be huge ramp up in INFRA which in turn invite global infra players to bid for infra projects. Thus our focus will remain on chemical, pharma, retail, infra, cables, data, IT and packaging co's.

Global Indices

Country	Indices	Date	Index	Net Change	Change %
Hong Kong	Hang Seng	03/10	23,459.05	+183.52	+0.79
Singapore	Straits Times	03/10	2,496.11	-4.63	-0.19
United States	NASDAQ	03/10	11,075.02	-251.49	-2.22
United States	DJIA	03/10	27,682.81	-134.09	-0.48
United States	S&P 500	03/10	3,348.44	-32.36	-0.96
Japan	Nikkei 225	03/10	23,029.90	-155.22	-0.67
United Kingdom	FTSE 100	03/10	5,902.12	+22.67	+0.39
Malaysia	KLSE Composite	03/10	1,500.30	+3.53	+0.24
Indonesia	Jakarta Composite	03/10	4,926.73	-43.36	-0.87
Thailand	SET	03/10	1,237.54	-10.05	-0.81
France	CAC 40	03/10	4,824.88	+0.84	+0.02
Germany	DAX	03/10	12,689.04	-41.73	-0.33
Argentina	MerVal	03/10	43,654.37	+738.18	+1.72
Brazil	Bovespa	03/10	94,015.70	-1,462.80	-1.53
Mexico	IPC	03/10	36,642.38	+16.27	+0.04
Austria	ATX	03/10	2,100.79	+10.52	+0.50
Belgium	BEL-20	03/10	3,248.23	+11.44	+0.35
Netherlands	AEX General	03/10	553.12	+2.58	+0.47
Spain	Madrid General	03/10	664.77	+2.32	+0.35
Switzerland	Swiss Market	03/10	10,252.40	+14.28	+0.14
Australia	All Ordinaries	03/10	5,983.20	-86.18	-1.42
China	Shanghai Composite	03/10	3,218.05	-6.31	-0.20
Philippines	PSE Composite	03/10	5,999.40	+54.53	+0.92
Sri Lanka	All Share	03/10	6,050.17	+65.33	+1.09
Taiwan	Taiwan Weighted	03/10	12,515.61	+47.88	+0.38
East Israel	TA-100	03/10	2,327.89	+19.81	+0.86

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