



Editorial

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Turkey crisis is unlikely to affect INDIA hence any correction due to TURKEY crisis is an opportunity to buy only.

Stocks you all know. VIPUL ORGANCIS should be made an monthly SIP case as we believe the stock price could be rising steadily over next 5 years.

Many traders are going short seeing the current currency crisis and on another hand market is killing all the short sellers at every levels. So advise to just avoid short and stay long as market will be crossing 11500 soon and may travel to 11750.

Mid cap looking good.

LIRA is not an issue for INDIA though may have some pain for few global economies. India will rise more and more.

RDB RASAYAN posted Q1 pat of 4.13 crs as against Rs 1.47 crs which is 180% up. With equity of Rs 17 crs and annualised EPS of Rs 9.72 stock is around 10 pe on current valuation. Expansion is still not reflected in nos as this has come from cost cutting. Stock will be exciting zone post the expansion of HALDIA and KHARAGPUR.

Our PM has set the right tone for 2019 election on the INDEPENDANCE day and I am convinced that NDA will now get 330 seats for sure. Therefore Nifty my target of 12000 before election will come for sure. After elections 13000 then 14000.

India is the place to be invested in and search of multi baggers will create wealth for you

Change of the week

	18-Aug-18	Rise /Gain
Sensex	37947	75 ↑
Nifty	11470	45 ↑

Net Investments (Cr)

	FII	DII
13-Aug-18	(510.6)	457.8
14-Aug-18	(971.8)	216.2
15-Aug-18	(378.8)	391.4
16-Aug-18	(825.08)	133.7
17-Aug-18	147.31	151.89
Total	(2539.2)	1350.7

Turnover (Cr)

	FII	DII	Combined
17-Aug-18	50,129	333,75	83,504

17-Aug-18	Advances	Declines	Ratio
BSE	1629	1076	1.51

Market recovered as US recovered. Had there been issue with LIRA INDIA would have never seen GREEN. This was another ghost for you. In fact, YAUN could be another ghost for you though I still believe that no one can beat CHINA for next few years.

Nifty bounced back.

Select stocks firing. VIPUL ORGANICS hit upper circuit today as there is huge interest from many FUND investors in this stock but blocks are not available. This is thinly traded share. Capacity expansion will show colour only in Q3 hence those who have invested should wait patiently. Apply the simple rationale Co does Rs 100 crs around biz with just 20 tons what could be the size after first expansion of 125 tons a month new capacity. Will it end here or further expansion...? Demand suggest it cannot stop at 145 tons... DIC JAPAN has shown lifting 400 tons a month hence there could be more expansion.

Look out for companies where MGT is clean, sector is good, co's are expanding, and there are no boundaries in the business. If any co fulfils there criteria it will become multi bagger. We have many more criteria's while selecting co's for research.

I am looking at 12000 as first destination. At 10000 no one was convinced at 11400 every one. Now the worry is mid caps. This will also resolve.

Hold and buy stocks at will. Distortion is always with some motive. Beat it.

5 Top Gainers			
Stock	17-Aug-18	13-Aug-18	% Gain
HDIL	34	23.1	47.19
APOLLO HOS	1184.7	946.5	25.16
KWALITY	23.42	19.3	21.35
UNITED BREW	1381	1200	15.06
DR LAL PATHLAB	1036.8	915.5	13.26

5 Top Losers			
Stock	17-Aug-18	13-Aug-18	% Loss
SAMRAT PHARMA	93	134	30.6
INTRASOFR TEC	239.9	338.0	29.02
VAKRANGEE	45.0	62.65	28.09
HB PORT	23.5	31.6	25.63
SHREYANS SHIPP	353	464.7	24.04

Top 5 Picks By CNI 'A' Group
Company
SBI
TATA MOTORS
BHARTI
ICICI BANK
SAIL

Top 5 Picks By CNI 'B' Group
Company
RDB RL
POKARNA
PODAR PIGMENT
JET AIRYAYS
DFM FOODS

Global Story

Nifty closed again close to 11500 but not before breaking 11400 on TURKEY LIRA issue. We had seen SPAIN, GREECE then too market has seen new highs hence even LIRA issue was a knee jerk and market did that. Even rate hike was a knee jerk and market rose thereafter. The bottom line is that market has to rally past 12000 may be 12500 before election and come what market rally will not halt.

UP Elections, TRUMP issue, DEMO etc in all these events we had seen one thing that these events creates short and once sufficient shorts are built unabated rally starts. From 8000 we had seen 11178 with intermittent corrections on various pretexts. Majority of street community goes by charts and technical's. From 8000 onwards chartist kept on telling you this is the resistance and resistance level kept on shifting. There were some patches where even long calls came but these were short lived because every 100 odd point correction will change your opinion.

None could see street crossing 10000 and when it happened they believed it is dead cat bounce and started selling till 10500. But after 10500 the real change has happened. Bears gone defensive and cut short and gone long and this made Nifty to test 11178. Then came the uncalled correction.

History started repeating at 10000 where we saw Nifty target at 12000 but street repeated its fate. Kept of searching resistances and Nifty kept on moving towards 11178 the earlier high. From 10700 till 11178 big shorts were created on the premise that it's all over and market will collapse. They are searching every bad news for shorting more. North Korea and DOKLAM were part of these issues.

Then came the LIRA issue where many analysts went on record saying this is more dangerous than LEHMAN. Well, this has done the damage again. Now with current state of oversold markets we believe that 12000 will cross easily and will even try to attempt 12500 before election.

The best part is that when market corrected in FEB and MARCH, 2019 election was in discussion and every street man was talking that NAMO will not come back. Well, no confidence motion has changed the table for sure. Now the lower house majority clears turn the wings in favour of NDA. We spoke to CONGRESS leader in MADHYA PRADESH to find out the prospects and we were surprised to hear that CONGRESS man was saying BJP and CHAUHAN is the hot favorite again simply because there is no other leader. He claims that this will defy the anti incumbency. Mr Scindia though sounds good and young people of MP says he is outsider and seen only in election times and there is no ground work and hence may not be fit for the post of CM.

Nifty rally will continue which will happen through INDICES management where you have to manage maximum 7 stocks which carry 65% weightage. Yes, the real pain with street now as mid caps is still falling and Nifty is rising. We had given reasons earlier and repeat summarily for your quick reference.

SEBI circular on large caps, mid caps and small caps have made many FUNDS DII and PMS to sell mid caps and buy large caps. By default Nifty had to rises as funds were flowing in large caps. There were mushrooming of small PMS which met with heavy losses and had to cut off long positions. HNI's were over leveraged on mid caps and had cut it down. In short mid caps were over owned and due to various reasons the ownership started trimming. How long this will continue only time will tell us. But once the balance is done all these stocks will bounce back.

Now as regards levels it all depends on the operators. There is always a nexus between promoters and operators though difficult to establish which decides the trend in the stocks. Depending on the supply and demand they move the prices. e g DLF which had hit a high of Rs 271 was at receiving end. Last month stock broke rs 200 and corrected till Rs 168 and below 180 major shorting has happened with target of 100 and stock reversed. Today same stock is closed at Rs 211 and we will not be surprised to see this stock crossing all time high in next 12 months. Thus every stock which has fallen steeply will rise back to new level unless there is fraud in the co. Nowadays 3 IDIOTS are in action. (AUDITOR, DEFAULT and PLEDGE) Any of the event can drag the prices down and rest is the work of bears.

Though NSE PE is 27.90 this is not a cause of concern. This is based on historical date that is FY 18 earnings. We have seen 14% growth in Q1. We will see 18% growth in FY 19. Therefore the correct PE x 19 could be 23.6 which is not alarming. Monsoon is on track, reforms are set to accelerate, there is certainty in NAMO coming back hence Nifty has to cross 13000 and travel towards 14000 after election.

Investors should spot the stocks with PE of less than 10 or around 10 for investment where you cannot go wrong when Nifty is trailing at such high level. Do not look at volumes of the stock. If the promoter is good, co is good segment, growth is good and stock is at 10 PE you must buy blindly and that too in good quantity. Also see trend of the stock. If it is in

rising channel even though there is carnage in midcaps you must switch some of the holdings and buy such stocks so that you can ride the right stock. Stability is the most important factor in identifying the stock. Here you can rely on BSE new analysis mechanism which gives score on various counts.

Our street call teams have identified few multi baggers which you should trust them. This very team had track record of searching CERA, VIP, AMAR RAJA, BEML, CAMPHOR, VA TECH, VST TILLER, WIMPLAST, STYLAM, STORE 1 and CEAT etc After their recommendation do your homework and then buy.

We will continue with our endeavour to service CNI members. We have re designed the web site to suit your requirements. We will be launching mobile app soon to have dialogue with you all. We are getting good response to e mails and we are trying to help our members.

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