

# MEHTA'S MORNING BELL



Here is what You may  
be interested this morning!

## Good Morning & Welcome to Thursday's trading action at Dalal Street, dated 2nd January 2020.

In early action, SGX Nifty is seen trading around the break-even line. Interestingly, the listless/muted action is despite reports stating that the GST revenue collection remaining above the Rs 1 lakh crore mark and most importantly, for the second month in a row. December 19 GST collection was at Rs 1.03 lakh crore. In December 2018, the GST collection was Rs 97,276 crore.

Also, the government's latest infra push is failing to propel sentiments at Dalal Street. Perhaps, the macro data are hurting sentiments as they continue to be weak with higher fiscal deficit and lower core sector growth numbers.

Having said that, please note, we are officially in this seasonally bullish Santa Claus Rally period, which lasts through the second trading day of 2019 (i.e. today -- Thursday, Jan. 2).

That brings us to our **call of the day** which suggests that investors will be cautiously bullish with reduced exposure.

Technically, bullish new-year sentiments are likely to be alive as long as Nifty holds key intraday supports at 12101-12125 zone. The medium term technical landscape continues to be 'bullish' as long as Nifty trades above its psychological support at 12000 mark. We suspect, the benchmark Nifty is still eyeing its magical 12345 milestone.

But for the day, volatile conditions likely amidst a 'Bearish Belt Hold' pattern followed by small 'spinning top' candle on the daily charts.

### Option data suggests:

- Nifty's Max Call OI: 12500, 12200.
- Nifty's Max Put OI: 12000, 11500.

**Bottom-line:** It's the season of miracles, hence investors should look for bargain hunting and that's likely to be the preferred theme at Dalal Street.

Meanwhile, the other headlines commanding attention are:

- FII's were net sellers in yesterday's trade as they sold shares worth Rs. 58.87 crores.
- December Auto monthly sales data have trickled in. Maruti and M&M have reported better than expected sales volume growth while Escorts & SML ISUZU reported weaker numbers.
- Trump says US-China trade deal will be signed on January 15. The president wrote in a tweet that he would sign the deal with "high level representatives of China" and that he would later travel to Beijing to begin talks on the next phase.
- Commanding attention this week would be the biggest headliner that will trickle in on Friday, when the U.S. Labor Department will issue its estimate of U.S. job growth for the month of November, which investors will be watching for signs that the U.S. consumer can maintain the sort of strength that has recently powered the U.S. economy amid weak business investment.
- Earning season will start from 10th January 2020 with INFOSYS setting afire the ceremonial starters' pistol for the 3rd quarter corporate earnings season.

## SGX Nifty:(+03, 12248)

### All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	12183	12101	12345	12103	11575	12121-12251	Buy between 12100-12125 zone. Targets at 12301/12345. Stop 11997.
Bank Nifty	32103	31501	32651	31938	29877	31737-32375	Sell between 31251-32301 zone. Targets at 31571/31001. Stop 32613.

### All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BIOCON	294.50	289	305	291	263	Positive	Buy at CMP. Targets 301/321. Stop 275.
BPCL	492	486	501	491	415	Positive	Buy at CMP. Targets 501/521. Stop 477.50.
HDFC	2434	2377	2451	2375	2134	Positive	Buy at CMP. Targets 2459/2521. Stop 2375.

### All About Option Trades:

**Option Trade:** BUY NIFTY 09th JANUARY CE Strike Price 12300 at CMP 30.55. Profit: Unlimited. Maximum Loss: Rs. 2,291.25/-. Stop: Exit Call Option if Nifty moves below 12031. (Nifty January Futures CMP 12243.80)

### All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
MANAPPURAM	177.25	176	183	169	136	Positive	Buy between 169-172 zone-. Targets 183/200. Stop 175.
PVR	1900	1679	2000	1807	1700	Positive	Buy at CMP. Targets 2000/2100. Stop 1679.
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## Mehta Group

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