

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

Good Morning & Welcome to Tuesday's trading action at Dalal Street, dated 7th January 2020.

The good news this Tuesday morning is that bearishness is in short supply as SGX Nifty is seen attempting a serious rebound despite the fingerprints of U.S and Iraq all over the place.

Digging deeper, there are still lot of things to like— lot of things to be positive about, like:

1. President Donald Trump announcing that he would sign a phase-one trade deal with China on Jan. 15.
2. Chinese central bank's incentives aiming to stimulate Chinese economy.
3. Despite steep fall at Dalal Street in yesterday's trade, FIIs were net sellers ONLY to the tune of Rs. 103.84 crores. DIIs too did not sell much, only Rs. 23.70 crores.
4. Hopes of more measures in the forthcoming Budget 2020 keeping optimism alive at Dalal Street.
5. Indian government's plan of more than doubling CAPEX over the next 5 years.

The big question: Is this the best time to buy as everybody else is selling?

Our **call of the day** suggests keeping a close eye on Strait of Hormuz — the world's biggest oil chokepoint amidst escalating tensions in the Middle East, in the aftermath of the killing of Iranian Major Gen. Qassem Soleimani on Iraqi soil.

Technically speaking, the biggest intraday support to watch would be at 11921-11945 zone. And the bulls are likely to roar and get back in the game only above 12163 zone.

Option data suggests:

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

Our **chart of the day** suggests establishing buy positions in stocks like **DIVIS LAB, BALRAMPUR CHINNI and TRIVENI ENGINEERING** with interweek perspective.

Here are other catalysts commanding attention at Dalal Street in near term:

- All anxious eyes will be on India's Industrial Production numbers to trickle in this Friday, 10th January 2020.
- Also on 10th January, Infosys will official set ablaze the ceremonial starter's pistol for Q3 earning season of FY 19-20.
- The street will look for more measures in the forthcoming Budget 2020.

SGX Nifty:(+52,12100)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11993	11832	12295	12125	11591	11851-12183	Buy at CMP. Targets at 12087/12163. Stop 11901.
Bank Nifty	31237	31751	32651	31959	29937	30830-31601	Buy between 31000-31150 zone. Targets at 31571/31927. Stop 30317.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
DIVISLABS	1841	1807	1871	1827	1676	Positive	Buy between 1811-1825 zone. Targets 1871/1921. Stop 1775.
PEL	1460	1410	1501	1611	1966	Negative	Sell between 1477-1485 zone. Targets 1410/1349. Stop 1511.
GRASIM	737	721	757	754	805	Negative	Sell between 741-745 zone. Targets 721/707. Stop 771.

All About Option Trades:

Option Trade: BUY NIFTY 16th JANUARY PE Strike Price 11800 at CMP 43.70. Profit: Unlimited. Maximum Loss: Rs. 3,277.50/-. Stop: Exit Put Option if Nifty moves above 12200. (Nifty January Futures CMP 12043.70)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
RITES	299.45	249	321	283	241	Positive	Buy between 291-293 zone. Targets 321/350. Stop 249.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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