

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

Good Morning & Welcome to Wednesday's trading action at Dalal Street dated 12th February 2020.

In early action, SGX Nifty is seen modestly higher as sentiments at worldwide stock markets are seen 'Chugging Ahead' on hopes that spread of coronavirus is slowing.

That brings us to our **call of the day** which says — hopefully, the said optimism is enough to carve out Nifty above its biggest hurdles at 12177 mark. Slowdown of cases of the deadly coronavirus in China should act as the key positive trigger. Overnight at Wall Street, S&P 500 and Nasdaq were at records highs on hopes that spread of coronavirus is slowing.

At the time of writing, more than 1016 people have died from the new virus in China with the number of confirmed cases now at over 42,638 worldwide.

Also keep optimism alive at Dal Street would be the fact the Crude-Oil prices are in a tailspin. Overnight, WTI Crude Oil prices have closed on the lower side and most importantly near the \$50 a barrel level.

Meanwhile, commanding attention would also be the next watched out event: CPI inflation numbers, Industrial Production & Manufacturing Output numbers for January to be trickle in today. On Friday, 14th Feb WPI Inflation numbers will trickle in.

Having said that, keeping sentiments fragile and upside capped would be FIIs action in yesterday's trade where they sold shares worth Rs. 209.39 crores in the Indian equity markets.

Technically, we see a 'Gravestone Doji' pattern on daily charts of Nifty. Hence, confirmation of strength only if Nifty closes above its most watched hurdles at 12177 zone. Please note, only above 12177 mark, Nifty/Sensex could climb as adeptly as a mountain goat to their all-time-highs at 12,431/42,273 milestone.

Option data suggests:

- Nifty's Max Call OI: 12500, 12400.
- Nifty's Max Put OI: 12000, 11800.

Our **chart of the day** suggests establishing long positions in stocks like **PIDILITE, BIOCON and BAJAJ FINSERV** with inter-week perspective.

Commanding attention would be Q3 earnings to trickle in today:

- Wednesday: DIVIS LAB, IRCTC, SUZLON, AMRUTANJAN, BODAL CHEM, ASHOK LEYLAND, DISH TV, HINDALCO, GE SHIP, NAUKRI, PFC, NBCC, ABB India.

Outlook for Wednesday: A consolidation day likely.

SGX Nifty: (+45, 12172)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	12108	11951	12177	12100	11667	12027-12177	Buy between 12027-12051 zone. Targets at 12177/12431. Stop 11811.
Bank Nifty	31301	30651	31751	30981	30121	30875-32001	Buy between 30750-30901 zone. Targets at 32001/32613. Stop 30111.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
ADANI ENTERPRISES	245.30	239	251	230	169	Positive	Buy at CMP. Targets 251/269. Stop 232.
BIOCON	305.85	297	323	295	261	Positive	Buy between 301-305 zone. Targets 323/351. Stop 291.
PIDILITE	1583.35	1539	1601	1496	1326	Positive	Buy at CMP. Targets 1601/1621. Stop 1539.

All About Option Trades:

Option Trade: BUY SBIN FEBRUARY CE Strike Price 330 at CMP 6.80. Profit: Unlimited. Maximum Loss: Rs. 20,400/-. Stop: Exit Call Option if SBIN moves below 321. (SBIN February Futures CMP 325.10)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
AIA ENGINEERING	1870.55	1801	2000	1761	1699	Positive	Buy at CMP. Targets 2000/2151. Stop 1801.
POLYPLEX	552.55	521	601	558	499	Positive	Buy at CMP. Targets 601/701. Stop 511.
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Mehta Group

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