

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 15th January 2020.

SGX Nifty is pointing to a muted start for Dalal Street this Wednesday, but we suspect, as the trading day progresses — the two benchmarks will start to flirt with their fresh all-time highs as the spotlight will be primarily on the U.S.-China trade issues ahead of the expected Wednesday signing of a so-called phase-one agreement.

The other catalysts commanding attention are

1. India's wholesale price inflation rises to seven-month high of 2.59% in December.
2. Retail inflation has also risen sharply to 7.35% in December 2019. Food inflation accelerated to 14.12% in December from 10.01% a month ago as vegetable prices shot up by 60.5%. The galloping inflation could constrain RBI from further monetary policy easing this Feb 2020. The street will now anxiously await the WPI numbers that will trickle in today.
3. Third-quarter earnings season starts to trickle in a big way. This Friday, 17th January — the street will anxiously await Q3 of RELIANCE INDUSTRIES, TCS and HCLTECH. Meanwhile, Infosys delivered an above street expectation Q3 performance and most importantly, raised its revenue forecast for the year.
4. Oil prices are seen depressed.
5. U.S-Iran tensions appear to fizzle out with totality.
6. Hopes of more measures in the forthcoming Budget 2020 keeping optimism alive at Dalal Street.
7. Indian government's plan of more than doubling CAPEX over the next 5 years.
8. FIIs camps were net sellers in Tuesday's trade to the tune of Rs. 205.56 Cr.
9. Spectacular rally being witnessed at worldwide stock markets; especially as Dow Jones hits its psychological milestone — 29,000. A Federal Reserve that has provided a low-interest rate environment and liquidity for money markets creates a bias to the upside for Wall Street.

Amidst this backdrop, our **call of the day** suggests that the benchmark Nifty may consolidate with higher highs in today's trade but stock specific action will continue to be the preferred theme at Dalal Street.

The landscape for benchmarks Nifty & Sensex continues to be in 'super bullish' mode. Fresh uncharted territory likely to be the preferred theme. Nifty's immediate goalpost is at 12411 mark and then all eyes will be 12501 milestone.

Technically speaking, the biggest intraday support to watch would be at 12271 mark and then at 12151-12171 zone.

Option data suggests:

- Nifty's Max Call OI: 12500, 12400.
- Nifty's Max Put OI: 12000, 12200.

Our **chart of the day** suggests establishing buy positions in stocks like **Maruti, HDFC & NAUKRI (INFO EDGE)** with interweek perspective.

SGX Nifty:(-06, 12385)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	12362	12275	12421	12199	11615	12291-12389	Buy between 12291-12315 zone. Targets at 12400-12421/12501. Stop 12131.
Bank Nifty	32064	31212	32613	32076	30019	31951-32651	Buy at CMP. Targets at 32613 /33333. Stop 31212.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
COLPAL	1502	1477	1537	1466	1311	Positive	Buy at CMP. Targets 1537/1561. Stop 1449.
HDFC	2492	2449	2525	2431	2157	Positive	Buy at CMP. Targets 2525/2589. Stop 2447.
HINDALCO	212	207.50	221	214	198	Positive	Buy at CMP. Targets 221/227.50. Stop 199.

All About Option Trades:

Option Trade: BUY NIFTY 23rd JANUARY CE Strike Price 12500 at CMP 33. Profit: Unlimited. Maximum Loss: Rs 2,475/-. Stop: Exit Call Option if Nifty moves below 12311. (Nifty January Futures CMP 12397)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BITES	309.10	256	321	294	244	Positive	Buy at CMP. Targets 321/350. Stop 256.
BALRAMPUR CHINI	190.40	163	200	181	150	Positive	Buy at CMP. Targets 200/225. Stop 161.
-	-	-	-	-	-	-	-

Mehta Group

903 Lodha Supremus, Dr. E Moses Road, Worli Naka, Mumbai - 400 018 Board: +91-22-61507100/101 Fax: +91-22-61507102