

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

Good Morning & Welcome to Friday's trading action at Dalal Street, dated 17th January 2020.

Judging by early action at SGX Nifty— it appears Dalal Street will start the day with joy — as traders focus on the optimistic backdrop of hopes of more measures in the Union Budget and most importantly, evidence of a decent December quarter earnings.

Also helping sentiments would be a record closing at Wall Street where the Dow, S&P 500 and Nasdaq hit fresh record highs on the heels of the signing of a formal trade truce between the U.S. and China.

Net-net, the recent fears of slowing growth is now seen overblown.

Also please note that a dovish Federal Reserve that has provided a low-interest rate environment and liquidity for money markets creates a bias to the upside for Wall Street.

The big question: What to buy?

Well, if recent trading action at Dalal Street is any indication then the upward momentum is seen slowing — perhaps the street is getting sceptical and is seen rebooting worries amidst higher than expected NPA numbers in the recent Q3 bank results and most importantly, rising consumer inflation numbers.

That brings us to our **call of the day** which says moderate trading quite likely for benchmarks Nifty & Sensex but stock specific action likely to command investors' attention on the buy side.

Optimism is backed with full steam for stocks like Naukri, Balrampur Chinni, HDFC, L&T Financial, Alembic Pharmaceuticals (APLL), Divis Lab, Adani Enterprises and UPL with interweek perspective.

Meanwhile, the technical 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. Lighten leveraged positions only on any close below Nifty 12271 mark.

Option data suggests:

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

Now here are other key catalysts commanding attention in today's trade:

- Today, the street will anxiously await Q3 of RELIANCE INDUSTRIES, TCS, L&T Housing Financial and HCLTECH.
- Oil prices are seen depressed.
- U.S-Iran tensions appear to fizzle out with totality.
- FII's camps were net sellers in Thursday's trade to the tune of Rs. 395.24 Cr. DIIs too sold to the tune of Rs. 184.65 Cr.

Outlook for Friday: Buy on dips should be the preferred strategy.

SGX Nifty:(-04, 12368)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	12356	12275	12421	12222	11624	12311-12411	Buy between 12291-12315 zone. Targets at 12400-12421 /12501. Stop 12131.
Bank Nifty	31854	31212	32613	32055	30040	31651-32615	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
L&T FINANCIAL	126	123.50	131	119.35	112.50	Positive	Buy at CMP. Targets 131/137.50. Stop 121.
PVR	1915	1901	2000	1872	1715	Positive	Buy between 1911-1921 zone. Targets 2000/2101. Stop 1871.
UPL	588	573	615	585	601	Positive	Buy at CMP. Targets 615/629. Stop 571.

All About Option Trades:

Option Trade: BUY BANK NIFTY 23rd JANUARY CE Strike Price 32400 at CMP 86.85. Profit: Unlimited. Maximum Loss: Rs 1,737/-. Stop: Exit Call Option if Bank Nifty moves below 31355 (Bank Nifty January Futures CMP 31935.70)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
NAUKRI	2580.85	2301	2750	2560	2220	Positive	Buy at CMP. Targets 2750/3001. Stop 2301.
BALRAMPUR CHINI	192.95	165	211	183	151	Positive	Buy at CMP. Targets 211/235. Stop 163.
-	-	-	-	-	-	-	-

Mehta Group

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