

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 19th December 2019.

In early action, small baby steps seen at SGX Nifty.

Commanding attention would be stock prices of Tata Group shares on backdrop of big blow to the Tata Sons Ltd after the National Company Law Appellate Tribunal (NCLAT) held the appointment of N Chandrasekaran as executive Chairman of Tata Sons as illegal. It also restored Cyrus Mistry as the Chairman.

As per media reports, the ruling was primarily on three grounds:

- Interest of minority shareholders not considered.
- Unnecessary haste in removal of Mistry as Chairman.
- Mismanagement at Tata Sons.

We suspect, the ruling will have impact only in Tata Group stocks which could trade volatile amidst this NCLAT verdict backdrop.

Meanwhile, any sizeable intraday gains for benchmark Nifty could be held back by renewed Brexit fears. Please note, after Boris Johnson's convincing election victory last week, the Prime Minister moved on Tuesday to block any further delays to Brexit by introducing a law banning an extension beyond December 31, 2020. With just over a year to negotiate a U.K.-EU trade deal, the ghosts over a hard Brexit returns.

That brings us to our **call of the day** which suggests another record day on cards at Dalal Street and the broader markets are likely to take the news in its stride; but having said that, big up-moves may not be in the offing as investors struggle to find fresh big catalysts to push equities substantially higher.

So, range bound session could be the theme for the day with positive bias as the street still focuses on the positive sentiment from the announcement of the phase-one of U.S-China trade deal.

Digging deeper, there are several catalysts that we suspect will keep the optimism alive and most importantly, kicking. Nifty will aim for fresh uncharted territory amidst:

- Early indications that global growth downtrend has bottomed out.
- Most probably, economic growth rebounds in 2020.
- Indian Government's continuous focus on bringing economy back on track.
- FII's were net buyers worth Rs. 1836.81 crores in the Indian Equity Market in yesterday's trade.
- Supportive positive global cues on backdrop of central banks in the U.S. and Europe saying they were not planning on lifting interest rates anytime soon.

Option data suggests:

- Nifty's Max Call OI: 12000, 12200.
- Nifty's Max Put OI: 12000, 12100.

Outlook for Thursday: Onwards & Updraft...

Our **chart of the day** suggests establishing buy positions in stocks like SIEMENS, HINDALCO & JSW STEEL with interweek perspective.

SGX Nifty:(-23, 12232)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	12222	12135	12337	12027	11508	12161-12269	Buy between 12145-12175 zone. Targets at 12275-12301/12501. Stop 12001.
Bank Nifty	32244	31901	32501	31716	29634	31951-32501	Buy at CMP. Targets at 32501/33251. Stop 31471.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
JSWSTEEL	264.40	253	281	257	258	Positive	Buy between 257-261 zone. Targets 281/305. Stop 251.
HINDALCO	214	209	227.5	201	196	Positive	Buy at CMP. Targets 227.50/245. Stop 207.
MARUTI	7241	7117	7413	7109	6706	Positive	Buy at CMP. Targets 7413/7725. Stop 7111.

All About Option Trades:

Option Trade: BUY BANK NIFTY 26th DECEMBER CE Strike Price 32500 at CMP 169.10. Profit: Unlimited. Maximum Loss: Rs. 3,382/-. Stop: Exit Call Option if Bank Nifty moves below 31801. (Bank Nifty December Futures CMP 32,279.30)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
DABUR	463	453	472.50	461	427	Positive	Buy at CMP. Targets 472.50/501. Stop 451.
MFSL	533	509	575	511	433	Positive	Buy at CMP. Targets 572/601. Stop 505.
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Mehta Group

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