

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 20th December 2019.

The good news this Friday morning is that:

1. Global markets are unfazed by Trump's impeachment.
2. The street is ignoring U.K government's priority to "deliver the United Kingdom's departure from the European Union on 31 January,"
3. The National Company Law Appellate Tribunal (NCLAT) ruling is having very limited negative impact on the Tata Group stocks.

That brings us to our **call of the day** which suggests the landscape at the moment at Dalal Street is seen '**super-bullish**'. We suspect, the benchmark Nifty is eyeing its magical 12345 milestone.

Investors could be in store for some real fireworks and amidst this bullish backdrop, 'look out above' continues to be the buzzword. **The street still focuses on the positive sentiment from the announcement of the phase-one of U.S-China trade deal.** Also, please note, liquidity is favour of bulls at Dalal Street. FII's were again net buyers worth Rs. 1836.81 crores in the Indian Equity Market in yesterday's trade.

Our **chart of the day** suggests establishing buy positions in stocks like EICHER MOTORS, ESCORTS & DLF with interweek perspective.

Amongst sectors, our preferred sectors on buy side are Autos & Metals.

Autos were in limelight in yesterday's trade and we expect stocks like ESCORTS, EICHER MOTORS and MARUTI to do exceedingly well in near term amidst oversold conditions. Meanwhile Metals are likely to outperform primarily on backdrop of:

- Early indications that global growth downtrend has bottomed out.
- Most probably, economic growth rebounds in 2020.

Option data suggests:

- Nifty's Max Call OI: 12300, 12000.
- Nifty's Max Put OI: 12000, 11500.

Bottom-line: Aggressive bullish traders should look to buy low and sell high with strict stop below Nifty 12000 mark while perma-bulls should look to buy high and sell higher.

Outlook for Friday: Up, Up and Away...

SGX Nifty:(+04, 12277)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	12260	12101	12345	12042	11521	12221-12345	Buy between 12201-12225 zone. Targets at 12301-12345/12501. Stop 12001.
Bank Nifty	32241	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
ASHOK LEYLAND	81	79	85	79	80	Positive	Buy at CMP. Targets 85/92.50. Stop 78.75.
HINDALCO	216.30	209	227.5	202	196	Positive	Buy at CMP. Targets 227.50/245. Stop 207.
ESCORTS	622.65	611	646	623	614	Positive	Buy at CMP. Targets 646/687.50. Stop 597.

All About Option Trades:

Option Trade: BUY BANK NIFTY 26th DECEMBER CE Strike Price 32500 at CMP 127.45. Profit: Unlimited. Maximum Loss: Rs. 2,549/-. Stop: Exit Call Option if Bank Nifty moves below 31801. (Bank Nifty December Futures CMP 32,260.40)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
DABUR	460	453	472.50	461	428	Positive	Buy at CMP. Targets 472.50/501. Stop 451.
MFSL	534	509	575	513	433	Positive	Buy at CMP. Targets 572/601. Stop 505.
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Mehta Group

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