

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 28th February 2020.

The World Health Organization has said there are now more new coronavirus cases outside of China for the first time. The yield on the benchmark 10-year Treasury note declined Thursday to 1.254%, an all-time low.

On this backdrop, early action at SGX Nifty is indicating that Dalal Street will witness another negative session.

Our **call of the day** says that Coronavirus fears are 'Slamming Stocks' as there is uncertainty all around and no one knows how bad coronavirus will get. The U.S. Centers for Disease Control and Prevention said a patient in California was infected who had not traveled outside the country.

The selling is not taking a pause despite President Donald Trump's statement that the risk to Americans was "very, very low,"

Traders are clearly seen struggling to find a floor to the selling in response to the mounting coronavirus crisis. Selling stampede looks to continue in today's trade as well at Dalal Street and send Nifty lower and most importantly — towards its psychological 11500 mark. Any intraday upside in stocks is likely to be a dead-cat bounce as risk-off trading mood is likely to be the preferred theme for the day. Technically speaking, Nifty faces major hurdles at 11709 and then major hurdles at 11889 mark. Please note, confirmation of strength only above Nifty 11889 mark. Immediate down side risk on Nifty is at 11500 and then way down at 11311 mark.

Meanwhile, crude-oil prices have also tanked and now at their lowest levels in 14 months.

Amidst falling oil prices, our **chart of the day** suggests that stocks like Asian Paints, Berger Paints & Pidilite are likely to be in limelight and are our preferred bets on buy side.

Option data suggests:

- Nifty's Max Call OI: 12000, 12100.
- Nifty's Max Put OI: 11500, 11600.

Meanwhile, market participants will also be eyeing GDP estimates and infrastructure data, due to be released today— Friday, 28th Feb 2020. Well, well, well if the data suggests weaker-than-expected Q3FY20 GDP then that could further dampen the investor confidence...

Bottom-line: Dalal Street will struggle for traction as coronavirus will dominate investor concerns. Sell on strength should be the preferred strategy.

SGX Nifty: (-90, 11518)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11633	11537	11807	11976	11688	11571-11801	Sell between 11745-11801 zone. Targets at 11501/11311. Stop 11911.
Bank Nifty	30187	29601	30751	30754	30185	29601-30585	Sell between 30451-30551 zone. Targets at 30001/29613/28821. Stop 31086.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
ASIAN PAINTS	1844	1801	1877	1852	1634	Positive	Buy between 1825-1835 zone. Targets 1877/1917. Stop 1755.
BANKBARODA	78.30	75	82.50	86	103	Negative	Sell at CMP. Targets 75/63. Stop 83.45.
PAGE INDUSTRIES	22144	21609	22986	23482	21561	Negative	Sell at CMP. Targets 21069/20501. Stop 23101.

All About Option Trades:

Option Trade: BUY NIFTY 05th MARCH PE Strike Price 11600 at CMP 96.90. Profit: Unlimited. Maximum Loss: Rs. 7,267.50/- . Stop: Exit Put Option if Nifty moves above 11751 (Nifty March Futures CMP 11631.45)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
POLYCAB	1163.45	951	1201	1056	779	Positive	Buy at CMP. Targets 1201/1501. Stop 951.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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