

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

This is our last Morning audio podcast for 2019.

It's amazing, how fast time passes by and you do not even realize it — It is now almost 2020.

Well, the year 2019 was exciting, at times it was challenging and honestly speaking 2019 was a great year for aggressive traders. The benchmark Nifty rose 12.83% in 2019 as the gains came despite an elusive earnings growth recovery.

2019 was actually a banner year for Dalal Street as the trading screen was dominated by DII's who played an anchor role for Nifty's 12,294 mark.

Digging deeper, Dalal Street witnessed wild swings, thanks to U.S President Donald Trump; who did all right things in 2019 to be on the front pages — primarily on backdrop of U.S-China trade issues. The positive catalyst as we end 2019 is that there could be comprehensive trade deal in 2020. At Wall Street, the Dow, the S&P 500 and Nasdaq Composite index are all trading near record highs where Nasdaq has managed to close above 9000 mark for the first time ever.

The other positive catalyst in favor of bulls in 2020 is that there are 'No recession fears'. In fact, U.S bond yields are seen rising as global recession fears recede.

So going forward in 2020, it would be interesting to see RBI stand on interest rates. But the biggest challenge in 2020 would be revival of Indian economy — especially after the demonization cash ban which has dented India's growth prospects for 3 years. **Possibilities of fiscal slippages are also biggest concerns for our stock markets.** The big investors' camp would be also eyeing RBI's & governments' policies ahead of the upcoming U.S elections in 2020.

Investors are also advised to keep a wary eye on North Korea.

Long story short: To us, the year 2020 looks challenging indeed with attractive investment opportunities. We suspect, the bull market likely to go forward with quality mid-smallcaps commanding investors' attention on buy side. That said, volatility likely to be hallmark of 2020.

Outlook for Tuesday: Last round of fireworks quite likely.

Judging by early action at SGX Nifty, it appears a lower start on cards for our stock markets. We suspect, any intraday dips likely to be limited as the Santa Claus rally will continue at Dalal Street, keeping the bullish year-end sentiment alive.

That brings us to our **call of the day** which suggests that the tables are in favor of the bulls. Well, we are optimistic at the moment because the year-end window dressing could work as the key positive catalyst.

Expect, risk appetite on the buy side.

Technically, bullish festive sentiments are likely to be alive as long as Nifty holds key support at 12101-12125 zone. Aggressive targets in near term seen at 12,345 mark.

We reiterate, it's the season of miracles. Investors should look for bargain hunting and momentum buying — and that's likely to be the preferred theme at Dalal Street. Having said that moves from here on could be volatile and probably exaggerated as many traders are out for the holidays, and volumes are expected to be thinner.

Option data suggests:

1. Nifty's Max Call OI: 12500, 12200.
2. Nifty's Max Put OI: 12000, 11800.

Our **chart of the day** suggests establishing buy positions in stocks like **MANAPPURAM, JUBILANT FOODS, and BAJAJ AUTO** with interweek perspective.

SGX Nifty:(-27, 12300)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	12256	12211	12345	12094	11558	12211-12345	Buy at CMP. Targets at 12345 /12451-12501. Stop 12091.
Bank Nifty	32355	31759	33001	31911	29800	32175-32751	Buy at CMP. Targets at 32501 /33251. Stop 31571.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BAJAJ AUTO	3252	3171	3289	3230	2955	Positive	Buy at CMP. Targets 3289/3469. Stop 3169.
BPCL	493	486	501	491	413	Positive	Buy at CMP. Targets 501/521. Stop 477.50.
HDFC	2438	2409	2467	2368	2128	Positive	Buy at CMP. Targets 2467/2507. Stop 2403.

All About Option Trades:

Option Trade: BUY JUBLFOODS JANUARY CE Strike Price 1660 at CMP 43.65. Profit: Unlimited. Maximum Loss: Rs. 21,825/-. Stop: Exit Call Option if Jubilant Foods moves below 1611. (Jubilant Foods January Futures CMP 1640.10)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
MANAPPURAM	179	176	183	167	136	Positive	Buy at CMP. Targets 183/200. Stop 175.
PVR	1903.50	1679	2000	1794	1693	Positive	Buy at CMP. Targets 2000/2100. Stop 1679.
-	-	-	-	-	-	-	-

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