

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

TODAY'S ECONOMIC CALENDAR

Japan:	PPI (MoM) (Apr), PPI (YoY) (Apr)
China:	Retail Sales (YoY) (Apr), China Thomson Reuters IPSOS PCSI (May), Chinese Industrial Production YTD (YoY) (Apr), Chinese Retail Sales YTD (YoY) (Apr), Fixed Asset Investment (YoY) (Apr), Industrial Production (YoY) (Apr), Chinese Unemployment Rate.
Euro:	German PPI (YoY) (Apr), German PPI (MoM) (Apr), German GDP (QoQ) (Q1), German GDP (YoY) (Q1)
Hong Kong:	GDP (QoQ) (Q1)
India:	FX Reserves, USD
USA:	Retail Sales (MoM) (Apr), Retail Sales Ex Gas/Autos (MoM) (Apr), Retail Sales (YoY) (Apr), Retail Control (MoM) (Apr), Core Retail Sales (MoM) (Apr), NY Empire State Manufacturing Index (May), Industrial Production (YoY) (Apr), Manufacturing Production (MoM) (Apr), Capacity Utilization Rate (Apr), Industrial Production (MoM) (Apr), Retail Inventories Ex Auto (Mar), JOLTs Job Openings (Mar), Business Inventories (MoM) (Mar), U.S. Baker Hughes Oil Rig Count, U.S. Baker Hughes Total Rig Count.

Good Morning & Welcome to Friday's trading action at Dalal Street dated 15th May 2020.

Early action at SGX Nifty is indicating that dark clouds are looming over at Dalal Street.

Well, 'Coronavirus' continues to be the devil sending shivers across global financial markets. Now, before we get into detail, here is Coronavirus update: More than 4.3 million cases of Covid-19 have been recorded worldwide, including at least 297,000 deaths.

The backdrop is grim. Expect, Dalal Street to again be in full-panic mode.

That brings us to the big question of the day:

- Whether, this panic is truly warranted?
- Do we have to prepare for more difficult times??

Honestly speaking, there is absolutely no accurate way to analyze on how much of an economic impact coronavirus will have. But there is apprehension that the scenario is all set to deteriorate further — and if it does then the global economy could probably move from a recession and into a depression!!!

There have been 33 recessions since 1854, according to the National Bureau of Economic Research, but only one depression — the Great Depression that lasted from 1929 to 1938.

Coronavirus is catastrophic, and the problematic area is that the virus has crossed all borders and most importantly — physicians still have no vaccine or cure for the novel coronavirus.

That brings us to our call of the day which suggests that any Investment Ideas should still be kept 'Under lock and key' for a while...

Well, there are no single catalysts this Friday that could turn Dalal Street higher. Even the stimulus for MSME, NBFCs fails to lift sentiment. The street suspects that the immediate spend out of the Rs 20-lakh cr economic stimulus package comprising of around 10% of India's grade domestic product (GDP) package is relatively small and hence doubt arises on whether economic growth will revive soon.

In uncertain times like this, always remember, cash is a position. The gyan mantra for traders and investors is to 'Stay light' on leveraged positions as a full-blown crisis might be closer than you think.

Now, here are key things to know before today's market open:

- Vijay Mallya loses final appeal against extradition. He can now be extradited in 28 days.
- Q4 corporate earning to trickle in: CIPLA, M&M FIN, Nippon AMC, L&T Tech.
- As per yesterday's provisional data available on the NSE, Foreign institutional investors (FIIs) sold shares worth Rs 2152.52 crore while and domestic institutional investors (DIIs) bought shares worth Rs 802.36 crore in the Indian equity market on May 14.
- Trade conflict between the U.S. and China starts to resurface.
- U.S jobless claim data suggests about 36 million jobs lost to the COVID-19 pandemic.

Technically speaking, Nifty ended on a negative note in yesterday's trade. Nifty's biggest support now seen only at 8989. Also note that the 'Bearish Island Reversal' that was witnessed on May 4 is still intact. So, bears are likely to dominate trading screens until Nifty stays below its key hurdles at 9587 mark.

Outlook for Friday: The outlook going forward remains murky to dim...

SGX Nifty: (+89, 9207)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	9143	8989	9381	9254	11092	8989-9357	Sell between 9250-9275 zone. Targets at 8989/8751. Stop 9609.
Bank Nifty	19069	18011	20001	19813	27865	18100-19650	Sell between 19501-19751 zone. Targets at 18287/16116/14251. Stop 21967.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
ICICIBANK	327.4	307.50	351	343	451	Negative	Sell between 335-339 zone. Targets 307.50/268. Stop 361.
INDIGO	972	865	1060	961	1392	Negative	Sell at CMP. Targets 865/771. Stop 1067.
INDUSIND BANK	428	413	447	435	1170	Negative	Sell between 435-445 zone. Targets 413/377. Stop 461.

All About Option Trades:

Option Trade: BUY NIFTY 21st MAY PE Strike Price 9000 at CMP 119.90. Profit: Unlimited. Maximum Loss: Rs. 8,992.50/-. Stop: Exit Put Option if Nifty moves above 9375. (Nifty May Futures CMP 9143.90)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
PAGE INDUSTRIES	17612.90	15001	18951	17365	21000	Negative	Sell at CMP. Targets 15001/13001. Stop 19001.

Mehta Group

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