

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

Euro:	German CPI (MoM) (Mar), German CPI (YoY) (Mar), German HICP (YoY) (Mar), German HICP (MoM) (Mar), German WPI (YoY) (Mar), German WPI (MoM) (Mar), German Ifo Business Climate Index (Apr), sIndustrial Production (MoM) (Feb), Industrial Production (YoY) (Feb).
USA:	Building Permits (MoM) (Mar), Building Permits (Mar), Continuing Jobless Claims, Housing Starts (MoM) (Mar), Housing Starts (Mar), Initial Jobless Claims, Jobless Claims 4-Week Avg.
Singapore:	Non-Oil Exports (YoY) (Mar), Non-Oil Exports (MoM) (Mar), Trade Balance.
China:	Fixed Asset Investment (YoY) (Mar), GDP (YoY) (Q1), GDP (QoQ) (Q1), Chinese GDP YTD (YoY) (Q1), Industrial Production (YoY) (Mar), Chinese Industrial Production YTD (YoY) (Mar), Retail Sales (YoY) (Mar), Chinese Retail Sales YTD (YoY) (Mar), Chinese Unemployment Rate

Good Morning & Welcome to Thursday's trading action at Dalal Street dated 16th April 2020.

The good news this Thursday morning is that the Oil prices have dived below the \$20 a barrel mark. The other good news is that India is likely to receive 'Normal Monsoon' this Year!!

That brings us to the big question of the day: Can Dalal Street rise and shine??

Honestly speaking — Unlikely.

Our **call of the day** suggests that the sentiments are sour as on backdrop there is in an emergency type scenario where the Indian and the global economy are sailing across the ocean without any lifeboats. **All is not well beneath the surface...Total despair.**

All anxious eyes will be on when the Indian and the world economy opens up and most importantly from a perma-bulls standpoint — the markets will stage confident recovery only when the demand returns to pre-virus levels.

Until the demand returns to pre-virus levels, it will be unwise to swim against the tide. There is sense of discomfort — a sense of discord amongst investors' camp. Sentiments are on the way down. Way down!

Technically, the biggest support on Nifty for today's trade is placed at 8701. Below 8701, expect waterfall of selling which could take down Nifty to 8511 and then at 8175. We suspect, a retest of the downside will be the most preferred theme as companies will be forced to downgrade or suspend their outlooks.

The street suspects that COVID-19 crisis is not out of woods yet — on expectations of poor economic data and weak corporate earnings in the days ahead. The IMF too projects India's growth rate at 1.9% in 2020.

We are probably on pace to record our worst years in 91 years (Great depression in 1929) — back when Charlie Chaplin was charming movie audiences. Today is Charlie Chaplin's 131st birth anniversary. Despite having lived a life full of ups and downs, Chaplin always knew how to bring a smile to ones face — We suspect, a smile on your face quite likely if you happen to be in bear's camp in today's trade.

The negativity at Dalal Street stems from the fact that COVID-19 comes without a certain end date.

Our **chart of the day** suggests establishing short positions in stocks like **RELIANCE INDUSTRIES, KOTAK BANK & TITAN** on sell side with interweek perspective.

Bottom-line: The "epic battle" between Bulls and Bears to continue. Coronavirus is the wild card.

Establish long positions only if you sense that coronavirus is losing.

SGX Nifty: (-195, 8833)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	8925	8519	9261	8667	11338	8861-9389	Sell between 9051-9075 zone. Targets at 8701/8587/8175. Stop 9391.
Bank Nifty	19058	18001	20401	19872	28969	18001-19631	Sell between 19701-20001 zone. Targets at 17143/16116/14875. Stop 21701.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
ASIANPAINTS	1719	1643	1737	1644	1680	Positive	Buy between 1681-1691 zone. Targets 1737/1807. Stop 1639.
KOTAKBANK	1173	1001	1233	1266	1553	Negative	Sell between 1194-1205 zone. Targets 1001/921. Stop 1237.
RELIANCE	1150	1097	1236	1067	1350	Negative	Sell between 965-975 zone. Targets 919/843. Stop 1011.

All About Option Trades:

Option Trade: BUY NIFTY 23rd APRIL PE Strike Price 8700 at CMP 163.35. Profit: Unlimited. Maximum Loss: Rs.12,251.25/-. Stop: Exit Put Option if Nifty moves above 9301. (Nifty April Futures CMP 8930.30)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
APOLLO HOSPITALS	1361	1111	1501	1264	1457	Positive	Buy at CMP. Targets 1501/1745. Stop 1111.
DIVISLABS	2395	1911	2501	1987	1795	Positive	Buy at CMP. Targets 2501/3001. Stop 1911.
-	-	-	-	-	-	-	-

Mehta Group

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