

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

TODAY'S ECONOMIC CALENDAR

Japan:	Capacity Utilization (MoM) (Jan), Industrial Production (MoM) (Jan), Exports (YoY) (Feb) Imports (YoY) (Feb), Trade Balance (Feb)
Hong Kong:	Unemployment Rate (Feb)
Great Britain:	Average Earnings ex Bonus (Jan), Average Earnings Index +Bonus (Jan) Claimant Count Change (Feb), Employment Change 3M/3M (MoM) (Jan), Unemployment Rate (Jan)
Europe:	German ZEW Current Conditions (Mar), German ZEW Economic Sentiment (Mar) Construction Output (MoM) (Jan), EU Finance Ministers Meeting, Wages in euro zone (YoY) (Q4), Labor Cost Index (YoY) (Q4), ZEW Economic Sentiment (Mar)
USA:	Core Retail Sales (MoM) (Feb), Retail Control (MoM) (Feb), Retail Sales (MoM) (Feb) Retail Sales (YoY) (Feb), Retail Sales Ex Gas/Autos (MoM) (Feb), Redbook (MoM) Redbook (YoY, Capacity Utilization Rate (Feb), Industrial Production (YoY) (Feb) Industrial Production (MoM) (Feb), Manufacturing Production (MoM) (Feb), Business Inventories (MoM) (Jan), JOLTs Job Openings (Jan), Retail Inventories Ex Auto (Jan)

Good Morning & Welcome to Tuesday's trading action at Dalal Street dated 17th March 2020.

Coronavirus-inspired panic selling still visible in global stock markets...

The big questions of the day:

- Will it be another rout on Dalal Street ??
- Will investors' confidence take longer to recover??

To start with, Dalal Street's deepest fear is COVID-19. Stock markets across globe are also not reassured by rate cut by the Federal Reserve and return of quantitative easing in the U.S.

The reality is that the economy is already in a downtrend and the coronavirus is seen infecting it each passing day. Digging deeper, Coronavirus is a humanitarian and societal crisis of unprecedented speed and scale. What's unknown with this novel virus is how long and far and deep that transmission will go into any society, how it might still mutate and how disastrous it will be.

Amidst this backdrop, it is scary to buy during a bear/panic market like this one. It is also unclear how far we are from the bottom. But do note that every downturn eventually ends, and life goes on. Let's hope we find our footing sooner rather than later. Once we do, Dalal Street will begin to move higher. Like the decline, the velocity of ascent is unknown, but a rally will eventually come...

The top priority at the moment is to protect the health and safety of people. All organizations, all institutions — must make rapid, highly-informed decisions, and take immediate actions to protect and support their people and ensure that critical business operations continue in order to help societal continuity.

The need of the hour is a permanent cure of coronavirus. Until then — Be safe, stay well, and keep your mind focused in all healthy things in life.

Technically, Nifty's biggest support is seen at 9,000. Below 9,000, Nifty could swiftly move to psychological 8000-8251 zone.

Please note, confirmation of strength only above Nifty 10211 mark. Intraday hurdles seen at 9721.

Option data for 26th March suggests:

- Nifty's Max Call OI: 10500, 9500.
- Nifty's Max Put OI: 9500, 10000.

Now before we get into detail, here are the things you need to know before the opening bell:

- Reports of coronavirus worries continue to ratchet higher. Total latest worldwide count is 174295 infected cases with 6673 deaths. At the time of writing, the total number of confirmed coronavirus cases in India jumped to 108 with Maharashtra topping the list with 37 now.
- In yesterday's trade, SBI Cards shares had a weak listing, as the stock price ended at 10% discount to issue price of Rs. 755.
- FIIs were net sellers in yesterday's trade to the tune of Rs. 3809.93 Cr.

That brings to our call of the day which suggests, it's time to take a deep breath and relax as the sinking feeling is still there. We still suspect; Dalal Street still has nothing to offer but blood, toil, tears and sweat. Also note that the velocity of further decline could be unprecedented.

Outlook for Tuesday: The sinking feeling is still there.

SGX Nifty: (-176, 8929)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	9197	8911	9701	11251	11640	8911-9501	Sell between 9150-9251 zone. Targets at 9001/8512/7501. Stop 9801.
Bank Nifty	23101	21000	25001	28768	30040	21351-24001	Sell between 23501-24001 zone. Targets at 22751/20771. Stop 25411.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
ASHOK LEYLAND	63	59	69	75	77	Negative	Sell between 66-69 zone. Targets 59/52. Stop 74.05.
BRITANNIA	2709	2501	2901	3010	2951	Negative	Sell between 2856-2875 zone. Targets 2721/2501. Stop 3113.
CHOLAMANDALAM	228	207.50	242.50	300	295	Negative	Sell between 235-237.50 zone. Targets 207.50/169. Stop 267.

All About Option Trades:

Option Trade: BUY NIFTY 19th MARCH PE Strike Price 8700 at CMP 235.45. Profit: Unlimited. Maximum Loss: Rs. 17,658.75/-. Stop: Exit Put Option if Nifty moves above 9301. (Nifty March Futures CMP 9118.45)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BANKBARODA	63.80	57.50	71	75	100	Negative	Sell between 67-70 zone. Targets 57.50/42.50. Stop 75.05.
PAGE INDUSTRIES	18972	17151	20901	21921	21522	Negative	Sell at CMP. Targets 17151/15001. Stop 21101.
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Mehta Group

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