

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

TODAY'S ECONOMIC CALENDAR

Singapore:	CPI (YoY) (Feb)
Europe:	German Import Price Index (MoM) (Feb), German Import Price Index (YoY) (Feb)
Hong Kong:	CPI (YoY) (Feb)
Australia:	Manufacturing PMI, Services PMI
Japan:	Manufacturing PMI (Mar), Services PMI

Good Morning & Welcome to Monday's trading action at Dalal Street dated 23rd March 2020.

Ominous opening on cards as the risk is everywhere.

Early action at SGX Nifty is indicating a gap-down opening for our stock markets. You can blame it to the panic over the coronavirus outbreak which refuses to abate.

At the time of writing, there continues to be acceleration of the global death toll as the number of Covid-19 cases has passed 3 lakhs globally with more than 13,069 deaths. The total number of confirmed coronavirus cases in India jumped to 348 with Maharashtra topping the list with 74 now. The Indian railways on Sunday announced suspension of all its passenger services from March 22 midnight to March 31 midnight in wake of the coronavirus threat.

Digging deeper, the coronavirus is wreaking havoc at Dalal Street. That's simply because there is no way to know what could come next, and that is the worst feeling.

Well, this uncertain theme is on backdrop of street getting worried that the coronavirus outbreak could disrupt life worldwide for an extended period and the negative takeaway is that economies across globe will be dragged into recession. Right now, everything seems very doom and gloom, like we're never going to come up from this COVID-19.

Amidst this backdrop, any upswings for the day unlikely to last. It is scary to buy during a bear/panic market like this one. It is also unclear how far we are from the bottom. That brings us to our **call of the day** which suggests traders and investors will have to brace for another volatile trading day.

Technically, Nifty's biggest support now seen at 8,111. We suspect, this market is still not a buyer's paradise. Below Nifty 8111, equity investments will signal end of faith for perma-bulls camp. Please note, confirmation of strength only above Nifty 9,277 mark. Intraday hurdles seen at 8977.

Option data for 26th March suggests:

- Nifty's Max Call OI: 9000, 9500.
- Nifty's Max Put OI: 8500, 8000.

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

- The street will also react to SEBI's action making short selling tough. SEBI after-market hours on Friday halved position limits for certain stock futures, restricted short-selling of index derivatives and raised margin rates for some shares in a bid to curb "abnormally high" volatility amidst the coronavirus pandemic. With Sebi's new curbs, more counters will come under the ban period as soon as the 95% limit is breached.
- WTI Crude Oil prices still slightly above \$ 23 per barrel, hit at low of \$19.46 per barrel last week.
- USD/INR at its all time high at 75.398, up 2.11% last week
- FII's were net sellers last week as they sold shares worth Rs. 20,908.85 crores. For the month of March, FII's have withdrawn Rs. 51,243.15 crores.
- The yield on the benchmark 10-year Treasury note fell 20.7 basis points to 0.91% on Thursday.

Outlook for Monday: Stay light on leveraged positions.

SGX Nifty: (-501, 8245)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	8745	8111	8977	10590	11574	8211-8911	Sell between 8551-8621 zone. Targets at 8001/7832/7751. Stop 8829.
Bank Nifty	20318	19100	21100	26855	29825	19300-21500	Sell between 21051-21251 zone. Targets at 18671/17911/14471. Stop 23411.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
AUROPHARMA	346	301	387	471	524	Negative	Sell between 357-363 zone. Targets 301/277. Stop 389.
BHARAT FORGE	301	283	329	414	449	Negative	Sell between 313-317 zone. Targets 283/245. Stop 347.
HAVELLS	537.80	493	557	607	672	Negative	Sell between 543-547 zone. Targets 493/479. Stop 563.

All About Option Trades:

Option Trade: BUY NIFTY 26th MARCH CE Strike Price 8500 at CMP 300.55. Profit: Unlimited. Maximum Loss: Rs. 22,541.25/-. Stop: Exit Call Option if Nifty moves below 8100. (Nifty March Futures CMP 8205.90)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
PAGE INDUSTRIES	18060	17151	21101	21091	21498	Negative	Sell at CMP. Targets 17151/15001. Stop 21101.
EICHER	15678	14501	18511	17244	19251	Negative	Sell at CMP. Targets 14501/12691. Stop 18511.
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Mehta Group

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