

# MEHTA'S MORNING BELL



Here is what You may  
be interested this morning!

## Good Morning Early Readers!

# **India's retail inflation** inched up to three-month high of 4.91% in November. Overall, inflation in the food basket was 1.87% in November compared to 0.85% a month earlier. However, it was significantly down from 9.5% in November 2020.

Our **call of the day** which suggests Dalal Street is on a knife-edge as the near-term picture is indeed cloudy. Blame it also to the selling by the FIIs camp. In yesterday's trade too, FIIs sold worth Rs. 2743.44 crores. For the month of December so far they have sold shares worth Rs. 18979 crores.

Our **chart of the day** which says that the gyan mantra to stay afloat since the major pandemic outbreak — is to invest in IT stocks.

# **Technically speaking**, the daily charts are again point south after Nifty bears overpowered bulls in yesterday's trade. Momentum oscillators are likely to shift in sell mode below 17101 mark. Nifty's immediate major hurdles at 17641 mark. Only above 17641 mark, a brighter trading quite likely as the buying madness will be on display in herd-like behavior that should drive Nifty's prices to extremes — Nifty's psychological 18000 mark.

# **The Nifty options data** for December series suggests Nifty is likely to be in a trading range of 17000-18000 zone. Maximum Call OI is at 18000 followed by 17500 strike price. So, the 17500 mark will be Nifty's crucial resistance zone. Maximum Put open interest stands at 17000 levels followed by 16000 levels. Call writing was seen at 17400 and then at 18000 strike price, while there was meaningful Put writing at 17400 and then at 17600 strike prices.

# **India VIX index**, which indicates the expectation of volatility in the market, ended 3.18% higher yesterday at 16.57.

# **Stock banned in F&O segment:** IBULHSGFIN, ESCORTS, VODAFONE IDEA.

## All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	17368	17289	17641	17454	16197	17101-17521	Sell between 17350-17400 zone. Strict stop at 17671. Targets 17289/17101. Aggressive targets at 16782-16901 zone.
Bank Nifty	36925	36651	37581	37071	35719	36651-37581	Sell at CMP. Stop 37611. Targets 36621/36113. Aggressive targets at 35327.

## All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BAJAJ FINANCE	7219	6975	7311	7227	6364	Negative	Sell between 7225-7250 zone. Stop 7357. Targets 7109/6975. Aggressive targets at 6679.
HAVELLS	1370	1341	1397	1378	1184	Negative	Sell between 1375-1385 zone. Stop 1409. Targets 1341/1307. Aggressive targets at 1261.
RELIANCE INDUSTRIES	2410	2357	2474	2444	2227	Negative	Sell at CMP. Stop 2489. Targets 2357/2331. Aggressive targets at 2309.

## All About Option Trades:

**Option Call:** SELL NIFTY 16th DECEMBER CE Strike Price 17200 at CMP 270. Maximum Profit: Rs. 13,500. Loss: Unlimited. Stop: Exit Call Option if NIFTY moves above 17615. (NIFTY DECEMBER Futures CMP 17462).

## All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
EASYTRIP PLANNERS	587	491	571	521	-	Positive	Buy at CMP. Stop 491. Targets 571/631.
POLYPLEX CORPORATION	2039	1805	2151	1823	1376	Positive	Buy at CMP. Stop 1805. Targets 2151/2301.
TECH MAHINDRA	1638	1451	1771	1579	1225	Positive	Buy at CMP. Stop 1451. Targets 1771/1901.

## Mehta Group

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