

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

USA:	API Weekly Crude Oil Stock, Total Vehicle Sales, Mortgage Refinance Index, Mortgage Market Index, MBA Purchase Index, MBA Mortgage Applications (WoW), MBA 30-Year Mortgage Rate, ADP Nonfarm Employment Change (Nov), Seevol Cushing Storage Report, ISM-New York Index (Nov), ISM NY Business Conditions (Nov), Durables Excluding Defense (MoM), Factory Orders (MoM), Factory orders ex transportation (MoM), Fed Chair Powell Testifies, Gasoline Production, Heating Oil Stockpiles, EIA Weekly Refinery Utilization Rates (WoW), Gasoline Inventories, EIA Weekly Distillates Stocks, Distillate Fuel Production, Cushing Crude Oil Inventories, Crude Oil Imports, EIA Refinery Crude Runs (WoW), Crude Oil Inventories
Great Britain:	BRC Shop Price Index (YoY), 10-Year Treasury Gilt Auction
Japan:	Monetary Base (YoY), Household Confidence (Nov)
Euro:	German Retail Sales (MoM) (Oct), German Retail Sales (YoY) (Oct), Unemployment Rate (Oct), PPI (YoY) (Oct), PPI (MoM) (Oct)

Good Morning & Welcome to Wednesday's trading action at Dalal Street dated 2nd December 2020.

We just had a bumper November where Nifty made a blockbuster monthly gains of 11.4%. This morning in early action, SGX Nifty is seen well above the dotted lines indicating that Dalal Street is getting ready for another bullish session. Well, bullish session would be an understatement — In fact, it's likely to be a super-duper bullish session.

Our **call of the day** says if you blinked you missed it! Expect Nifty to aim fresh record highs.

The 'Gyan Mantra' for all long-term investors who are still on the sidelines, is: "Move from disbelief to belief". There are lots of encouraging bullish signals that are likely to prompt investors to buy more equities in expectation of more future gains.

The technical backdrop for stocks listed at Dalal Street continues to strengthen as the benchmarks, Nifty & Sensex, both are sailing at uncharted territory. Most importantly, the incremental follow-through from current levels could be significant.

Our **chart of the day** suggests accumulating DLF, SBI, BHEL and OBEROI REALTY on the buy side with interweek/intermonth perspective.

The landscape for equities at Dalal Street remains fairly constructive on backdrop of:

- FIIs inflow simply seems to be unstoppable.
- Investors welcome further progress on the development of a coronavirus vaccine.
- Dow Jones Industrial Average flirting with the 30,000 mark.
- Bulls' bet that more U.S fiscal stimulus would be forthcoming as reports suggest Biden would nominate former Federal Reserve Chair Janet Yellen as Treasury secretary. Investors expect more economic stimulus is likely with Yellen as Treasury secretary since she has argued that Congress has to come through with additional aid to help lead a U.S. economy crippled by the coronavirus pandemic.

Now, here are other key things to know before today's market opens.

- The street will also look for direction from RBI policy which is rescheduled to 2- 4 December 2020. The street expects RBI to keep interest rates unchanged in the upcoming monetary policy review on backdrop of rising retail inflation driven primarily by "supply-side issues".
- The price action for Nifty is suggesting that we are likely to see a 13000-13227 range for the day with positive bias. Intraday support seen at 12961 mark. The benchmark will aim to swiftly move above its all-time-high at 13146 mark. Technically speaking, chase the buying momentum as long as Nifty stays above 12727 mark. Aggressive targets on Nifty at 13501 mark.
- As per Tuesday's provisional Data available on the NSE, FII's bought shares worth Rs. 3242 crores in the Indian Equity Market. DIIs on the other hand, sold shares worth Rs. 1043.21 crores in the Indian Equity market.
- Hero MotoCorp: Company sold 5,91,091 units of motorcycles and scooters in November 2020, against 5,16,775 units in November 2019. Amongst auto stocks, Hero Moto Corp is our preferred bet on the buy side.

Outlook for Wednesday: The character of this market has in-fact turned super-bullish...

SGX Nifty: (-15, 13136)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	13109	13001	13247	12626	10758	13001-13251	Buy at CMP. Targets at 13211 and then aggressive targets at 13351-13501 zone with stop at 12887.
Bank Nifty	29818	29201	30201	28276	22899	29451-30201	Buy at CMP. Targets at 30201/30911/32613. Stop at 27721.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
MFSL	640	625	685	620	528	Positive	Buy at CMP. Targets 685/711. Stop 621.
DLF	195	188	201	180	157	Positive	Buy at CMP. Targets 201/211. Stop 187.05.
SBIN	248	240	255	231	204	Positive	Buy at CMP. Targets 255/267. Stop 239.

All About Option Trades:

Option Trade: BUY NIFTY 10th DECEMBER CE Strike Price 13200 at CMP 115. Profit: Unlimited. Maximum Loss: Rs. 8,625/-. Stop: Exit Call Option if Nifty moves below 12935. (Nifty December Futures CMP 13136).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
COROMANDEL	823.05	671	907	765	693	Positive	Buy at CMP. Targets 907/1000. Stop 671.
CDSL	494.30	439	600	481	336	Positive	Buy at CMP. Targets 525/600. Stop 439.
-	-	-	-	-	-	-	-

Mehta Group

903 Lodha Supremus, Dr. E Moses Road, Worli Naka, Mumbai - 400 018 Board: +91-22-61507100/101 Fax: +91-22-61507102