

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

Good Morning & Welcome to Friday's trading action at Dalal Street dated 8th January 2021.

It's shaping to be a good day at Dalal Street as Nifty most likely to ascend further to record highs on backdrop strong positive global cues.

Amidst this optimistic backdrop, "What do you think of the market?" is less interesting of a question than, 'which stocks can fetch fast money?'

Our **chart of the day** suggests that up move will be much profound in stocks like **PIRAMAL ENTERPRISES (PEL), GMR INFRA & INDIA BULLS HOUSING FINANCE** with interweek perspective. We suspect, **PIRAMAL ENTERPRISES (PEL)** is a screaming buy.

Our **call of the day** suggests chasing the buying momentum as long as Nifty stays above the psychological 14,000 mark. Technically, above Nifty 14251 mark aggressive targets on Nifty seen at 14501-14751 zone.

The positive catalyst: Certification of Biden's election win. The street suspects that the U.S. Congress will enact further stimulus.

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

- **Today, Tata Consultancy Services (TCS) will officially set afire the ceremonial starters pistol for 3rd quarter earnings season.** The street expects TCS management to announce some major deal wins, strong revenues and an upbeat outlook. We will spy with one big eye if any positive triggers like 4.5-5% growth in dollar revenue and 4% expansion in constant currency (CC) growth which takes the stock price above the Rs 12 lakh crore market-cap mark.
- **All bullish eyes on the Budget** expectations ahead of Union Budget 2021 to be presented on 1st Feb 2021.
- The options data for January Series suggests Nifty is likely to be in a higher trading range as maximum Call OI is at 14000 which is followed by 14500 Strike Price. Maximum Put open interest stands at 13500 levels. Call writing was seen at 14200 and then at 14500 strike price, while there was meaningful Put writing at 14200. Well, the said data indicates a wide trading range between 14000 and 14500 levels.
- As per Thursday's provisional Data available on the NSE, FII's bought shares worth Rs. 382.30 crores in the Indian Equity Market. DIIs however sold shares worth Rs. 989.50 crores in the Indian Equity market.
- Amongst stock specific action, Maruti Suzuki says recovery in the automobile sector is still "sketchy" and will largely depend on the performance of the economy. Maruti's stock price faces major hurdles at 7750 zone
- Reliance Industries was again seen drifting in yesterday's trade. Technically speaking, Reliance (RIL's) stock price is now down around 20% from its peak — indicating that the stock has entered the bear phase. Please note, markets are in bear territory when stocks, on average, fall at least 20% off their high.
- All eyes will be on the U.S Friday's jobs report. The job report is important as U.S.'s coronavirus outbreak accelerated sharply between September and December, but it has yet to show up in most economic data.

SGX Nifty: (+63, 14273)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	14137	14001	14307	13745	11095	14075-14307	Buy between 14100-14125 zone. Targets at 14251 and then aggressive targets at 14401-14501 zone with stop at 13939.
Bank Nifty	31956	31001	32613	30757	23233	31300-32251	Buy at CMP. Targets at 32251 and then aggressive targets at 32613 zone with stop at 30751.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
PEL	1497	1463	1594	1435	1253	Positive	Buy at CMP, targeting 1594 and then at 1721-1751 zone with stop below 1429.
LAL PATH LABS	2395	2325	2461	2258	1867	Positive	Buy at CMP, targeting 2461 and then at 2525-2551 zone with stop below 2317.
BANK OF BARODA	66.15	63.50	69	66.15	49	Positive	Buy at CMP, targeting 69 and then at 79-81 zone with stop below 62.50.

All About Option Trades:

Option Trade: BUY INDIA BULLS HOUSING FINANCE 28th January CE Strike Price 240 at CMP 17.45. Profit: Unlimited. Maximum Loss: Rs. 54,095/-. Stop: Exit Call Option if INDIA BULLS HOUSING FINANCE moves below 217. (IBULLSHSGFIN January Futures CMP 235.30).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
JM FINANCIAL	94.45	82.50	125	86	76	Positive	Buy at CMP, targeting 107 and then at the psychological 127.50 mark. Stop at 69. Holding period 1-3 Months.
GMR INFRA	27.15	25.50	30	26.75	22	Positive	Intermonth Strategy: Buy at CMP, targeting 30/32.50 and then at 35 zone with stop below 23.45.

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