

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

Economic Calendar:

USA:	Consumer Credit (Apr), NFIB Small Business Optimism (May), Imports, Exports, Trade Balance (Apr), Redbook (YoY), JOLTs Job Openings (Apr), 3-Year Note Auction
Great Britain:	BRC Retail Sales Monitor (YoY) (May), 5-Year Treasury Gilt Auction
Japan:	Average Cash Earnings (YoY), Overtime Pay (YoY) (Apr), Overall wage income of employees (Apr), Adjusted Current Account, Current Account n.s.a. (Apr), Bank Lending (YoY) (May), GDP External Demand (QoQ) (Q1), GDP (YoY) (Q1), GDP Capital Expenditure (QoQ) (Q1), GDP Private Consumption (QoQ) (Q1), GDP (QoQ) (Q1), 30-Year JGB Auction, Economy Watchers Current Index (May)
Euro:	Employment Change (QoQ) (Q1), ZEW Economic Sentiment (Jun), Employment Overall (Q1), GDP (QoQ) (Q1), GDP (YoY) (Q1), German ZEW Economic Sentiment (Jun), German ZEW Current Conditions (Jun), Employment Change (YoY) (Q1)

Good Morning Early Readers!

Our **call of the day** suggests Dalal Street could hit the pause button and some serious consolidation quite likely. Most of the momentum stocks could get stuck in a range as the further direction of markets depends on two catalysts:

- The next big catalysts for global markets are Thursday's report on U.S consumer prices for further signs of inflation risks. The Federal Reserve has argued that any spikes in inflation as the economy recovers from the coronavirus pandemic will be transitory.

Treasury Secretary Janet Yellen said President Joe Biden should push forward with his \$4 trillion spending plans even if they cause an inflation spike into next year.

- All anxious eyes will be on the monsoon updates as IMD and Skymet have predicted a normal monsoon this year as well. India Meteorological Department (IMD) is expecting more rain in the monsoon months of June-September than its previous estimate in April. Most importantly, the Central India, which constitutes core rainfed agricultural region, to see 6% increase.

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

- Technically speaking, all bullish eyes on Nifty's psychological 15800 mark and then aggressive bullish eyes on 16000 mark. Nifty's make-or-break supports are placed at 15151 mark. Intraday support for Nifty seen at 15459 mark.

If Nifty slips below the 15151 mark then it's safe to assume that rising covid-19 cases are spoiling the party at Dalal Street.

Please note, Nifty's 200DMA at 13547 mark. The price action for Nifty in the near term is suggesting that we are likely to see a 15,301- 16200 range in near term with buy on dips as the preferred strategy.

- The options data for May Series suggests Nifty is likely to be in a broader trading range of 15300-16000 as maximum Call OI is at 16000 followed by 16200 strike price. Maximum Put open interest stands at 15000 levels followed by 15200 levels. Call writing was seen at 16400 and then at 15800 strike price, while there was meaningful Put writing at 15700 and then at 15400 strike prices.
- Our **chart of the day** which is bullish on the consensus favorites of Dalal Street — TATA MOTORS, MANAPPURAM FINANCE, POWERGRID, HEROMOTO CORP and DELTA CORPORATION with an interweek perspective.
- Q4 earnings to trickle in today:** ENGINEERS INDIA, PETRONET LNG, MAX FINANCIAL SERVICES, ION EXCHANGE (INDIA), WONDERLA HOLIDAYS
- As per Monday's Provisional Data available on the NSE, FIIs sold shares worth Rs. 186.46 crores in the Indian Equity Market.
- Stock banned in F&O segment:** IBULHSGFIN, PNB, SAIL, SUNTV.

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	15752	15557	15807	15212	13568	15557-15857	Buy between 15651-15700 zone. Targets at 15807 mark and then at 16000 mark with strict stop at 15389.
Bank Nifty	35444	34801	36201	34271	29955	35001-36201	Buy above 35811. Targets at 36251 and then aggressive targets at 37709/39001 mark with stop at 34311.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
GRASIM	1501	1421	1495	1424	1051	Positive	Buy between 1477-1493 zone. Targets 1527/1701. Stop 1421.
HEROMOTO CORP	3052	2943	3143	2927	3097	Positive	Buy at CMP. Targets 3143/3287. Stop 2937.
POWERGRID	236	223	241	227	198	Positive	Buy at CMP. Targets 241/275. Stop 221.

All About Option Trades:

Option Call: SELL NIFTY 10th JUNE PE Strike Price 15800 at CMP 106.35. Maximum Profit: Rs. 7,976.25/- . Loss: Unlimited. Stop: Exit Put Option if NIFTY moves below 15621. (NIFTY JUNE Futures CMP 15781.65).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
UNITED SPIRITS (MC DOWELL)	633.35	569	70	587	560	Positive	Buy at CMP. Targets 707/750. Stop 569.
TATAPOWER	113	89	127.5	106	79	Positive	Buy at CMP. Targets 127.5/150. Stop 89.
SBI LIFE	989	871	1051	979	877	Positive	Buy at CMP. Targets 1051/1251. Stop 871.

Mehta Group

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