

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

Economic Calendar:

Great Britain:	RICS House Price Balance (May), Thomson Reuters IPSOS PCSI (Jun)
Japan:	PPI (MoM) (May), PPI (YoY) (May), Foreign Investments in Japanese Stocks, Foreign Bonds Buying, Industrial Production (MoM) (Apr)
China:	M2 Money Stock (YoY), Outstanding Loan Growth (YoY), Chinese Total Social Financing, New Loans
Euro:	Germany Thomson Reuters IPSOS PCSI (Jun), Deposit Facility Rate (Jun), ECB Interest Rate Decision (Jun), ECB Marginal Lending Facility, ECB Press Conference
USA:	OPEC Monthly Report, Jobless Claims 4-Week Avg., Initial Jobless Claims, Continuing Jobless Claims, Real Earnings (MoM) (May), CPI Index, s.a (May), CPI, n.s.a (MoM) (May), CPI Index, n.s.a. (May), Core CPI Index (May), CPI (YoY) (May), Core CPI (MoM) (May), CPI (MoM) (May), Core CPI (YoY) (May), Natural Gas Storage, Cleveland CPI (MoM) (May), 4-Week Bill Auction, 8-Week Bill Auction, WASDE Report, 30-Year Bond Auction, Federal Budget Balance (May)

Good Morning Early Readers!

- Our **chart of the day** is bullish on POWERGRID, COAL INDIA and NAUKRI with an interweek perspective.
- SHOW ME THE MONEY:** Investment Call: Buy SBI LIFE INSURANCE: Establish buy positions at CMP, targeting 1051/1151 mark. Aggressive 1-year targets at 1251 mark. Stop below 871.
- Our **call of the day** suggests volatility likely to hallmark of today's trade on backdrop of inflation risks that are on the front pages. A higher interest rate environment has arisen from a higher inflation environment. Inflation is presently on the jump. Blame in part to oil prices that have rebounded even faster than most of the oil bulls had expected as WTI oil futures has comfortably crossed a key threshold \$70 a barrel. Commanding attention from here-on will be Thursday's U.S consumer price index inflation update that may shed light on future Fed positioning. The U.S CPI report will be one of the last major economic indicators before the Fed meets on June 15-16.
- Technically speaking, all bullish eyes on Nifty's psychological 15800 mark and then aggressive bullish eyes on 16000 mark. Nifty's make-or-break support for the day is placed at 15449 mark. Below 15449 mark, downside risk seen at 15151 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 13611 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 15700 strike price. Maximum Put open interest stands at 15500 levels followed by 15400 levels. Call writing was seen at 15800 and then at 15600 strike price, while there was meaningful Put writing at 15500 and then at 15400 strike prices.
- The yield on the benchmark U.S. 10-year Treasury fell below 1.5% for the first time since May 7. Back in March, yields rose to as high as 1.774%.
- Q4 earnings to trickle in today:** MRPL, STEEL AUTHORITY, CENTURY PLYBOARDS.
- Stock banned in F&O segment:** BHEL, NATIONALUM, CANBANK, SAIL, SUNTV.

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	15635	15561	15807	15289	13611	15475-15808	Buy only above 15809. Targets at 16000-16251 zone with strict stop at 15459.
Bank Nifty	34801	34551	35811	34454	30082	34601-35551	Buy only above 35407. Targets at 36251 and then aggressive targets at 37709/39001 mark with stop at 33671.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
DIVISLABS	4267	4191	4325	4130	3562	Positive	Buy at CMP. Targets 4325/4409. Stop 4111.
ESCORTS	1198	1179	1237	1173	1266	Positive	Buy at CMP. Targets 1237/1307. Stop 1165.
NAUKRI	4677	4531	4751	4456	4326	Positive	Buy at CMP. Targets 4751/5183. Stop 4511.

All About Option Trades:

Option Call: SELL NIFTY 17th JUNE PE Strike Price 15800 at CMP 200.70. Maximum Profit: Rs. 15,053/-. Loss: Unlimited. Stop: Exit Put Option if NIFTY moves below 15575. (NIFTY JUNE Futures CMP 15668.95).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
UNITED SPIRITS (MC DOWELL)	632.60	569	70	595	560	Positive	Buy at CMP. Targets 707/750. Stop 569.
SBI LIFE	998.60	871	1051	978	878	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