

# MEHTA'S MORNING BELL



Here is what You may  
be interested this morning!

**Good Morning & Welcome to Tuesday's trading action at Dalal Street dated 12th January 2021.**

**Dalal Street will most probably waver or perhaps a small pull back quite likely to be the theme of the day.**

That said, Nifty bulls are likely to have their feet firmly planted and most importantly, the benchmarks may again roar like a lion on any corrective intraday dips. Market could benefit from news of more stimulus and hopes for a quicker economic recovery.

Our **call of the day** suggests a small wobble quite likely as there are a number of factors contributing to the negative tone:

- The street suspects that the U.S. Federal Reserve is not that eager to keep bolstering its balance sheet. Actually, the Fed officials have started talking about tapering bond purchases later in 2021.
- The sentiments are also bit dented on backdrop of concerns of the remainder of the term of U.S. President Donald Trump.
- The last two days buoyant U.S dollar is seen capping upside moves for metal stocks.
- Technically, the benchmark Nifty is seen reaching an overbought inflexion point. Skeptics will continue to argue that the world is in chaos and the way stock markets across globe are rising is just similar to building a skyscraper on top of quicksand.

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

- Nifty's intraday aim would be to hit the 14500 psychological levels. Technically speaking, risk-on sentiments will prevail as long as Nifty holds above its make-or-break supports placed at 14039 mark.
- The options data for January Series suggests Nifty is likely to be in a broader trading range as maximum Call OI is at 15000. Maximum Put open interest stands at 14000 levels. Call writing was seen at 15000 and then at 14500 strike price, while there was meaningful Put writing at 14000. Well, the said data indicates a wide trading range between 14200 and 14800 levels.
- As per Monday's provisional data available on the NSE, FII's bought shares worth Rs. 3138.90 crores in the Indian Equity Market.
- Our **chart of the day** suggests that buying stampede likely to continue in pharma stocks like **CADILA HEALTHCARE, LUPIN and BIOCON** with interweek perspective.
- Technically, Bharat Rasayan is also signaling a massive breakout on the daily charts. The company board considers share buyback today.
- Q3 Earnings to trickle in today: KARNATAKA BANK, TATA ELXSI.
- **Tata Motors:** Jaguar Land Rover's retail sales fell 9% YoY to 1,28,469 units in the October-December period but up by 13.1 percent on a QoQ basis.

## SGX Nifty: (-1, 14495)

**All about Nifty & Bank Nifty:**

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	14485	14317	14577	13867	11189	14377-14577	Buy between 14347-14375 zone. Targets at 14527 and then aggressive targets at 14651-14751 zone with stop at 14189.
Bank Nifty	31999	31411	32613	30973	23441	31575-32551	Buy between 31475-31601 zone. 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
COAL INDIA	141.70	133	147.50	138	131	Positive	Buy at CMP, targeting 147.50 and then at 155-161 zone with stop below 131.
CADILA HEALTHCARE	494	483	521	477	389	Positive	Buy at CMP, targeting 503/507.50 and then at 521 zone with stop below 481.
HINDUSTAN UNILEVER	2430	2337	2617	2375	2183	Positive	Buy between 2397-2411 zone, targeting 2489 and then at 2597-2617 zone with stop below 2327.

**All About Option Trades:**

**Option Trade:** BUY COAL INDIA 28th January CE Strike Price 142.50 at CMP 5.05. Profit: Unlimited. Maximum Loss: Rs. 21,210/-. Stop: Exit Call Option if COAL INDIA moves below 131.50. (COAL INDIA January Futures CMP 141.85).

**All about stocks (Medium Term Trades):**

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BHARAT RASAYAN	10356	8750	11500	9511	8389	Positive	Buy at CMP, targeting 11501 and then at the psychological 13000 mark. Stop at 8701. Holding period 1-3 Months.
GMR INFRA	26.90	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.

## Mehta Group

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