

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

Economic Calendar:

Japan: Tertiary Industry Activity Index (MoM)
Euro: Employment Change (YoY), Employment Change (QoQ), GDP (YoY) (Q4), GDP (QoQ) (Q4), ZEW Economic Sentiment (Feb), Employment Overall (Q4), German ZEW Current Conditions (Feb)
USA: NY Empire State Manufacturing Index (Feb), 3-Month Bill Auction, 6-Month Bill Auction

Good Morning & Welcome to Tuesday's trading session at Dalal Street dated 16th February 2021.

Media reports suggest that the government is considering mid-sized to small banks for its first round of privatisation to test the waters. The four banks on the shortlist are Bank of India, Bank of Maharashtra, Indian Overseas Bank and the Central Bank of India.

So, the big question: Will stocks move upward forever?

Well, at the moment, sentiments are buoyed and keeping the rally intact:

- Japanese Nikkei is at a new 30-year high flirting with the 30,000 mark. Chinese indices are just a tad away from their 2007 peaks.
- Wall Street and European stocks have jumped nearly 80% and 50% from their March 2020 panic lows.
- Nifty is up a whopping 102% — from March lows of 7500.
- Nifty new record now is at 15340.
- Sensex new records at 52236 mark.
- Bank Nifty too at fresh all-time-high at 37450.
- Nifty Mid-cap and Nifty Small-Cap both are at all-time highs!

Honestly speaking, the trading theme revolves around positive catalysts like:

1. Fresh round of stimulus spending in the U.S.
2. Monetary stimulus.
3. Economic recovery.
4. Corporate earnings have been spectacular and the earnings promises to be more of the same all-thru 2021.
5. Progress in the rollout of Covid-19 vaccines.

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

- IT sector to grow by 2% to \$194 bn, add 138,000 employees in FY21: Nasscom
- World leaders are also set to jointly discuss the pandemic response at a virtual meeting of leaders from the Group of Seven industrialized nations on Friday.
- **Q3 Earnings to trickle in today:** NESTLE INDIA, SCHAEFFLER,
- Nifty & Sensex have scaled fresh all-time-highs but technically speaking, consolidation should be the theme amidst overbought technical conditions. That said, for the moment, the ingredients for fresh all-time-highs is quite high and that ongoing bullish theme is quite likely as long as Nifty stays above its biggest support at the 15001 mark. Expect, the benchmark Nifty to easily gallop to 15501 mark. The sequence of higher high/lows is intact on all-time frames.
- The options data for February Series suggests Nifty is likely to be in a broader trading range of 15000-15500 as maximum Call OI is at 16000 followed by 14500 strike price. Maximum Put open interest stands at 15000 levels followed by 15000 levels. Call writing was seen at 15300 and then at 15800 strike price, while there was meaningful Put writing at 15000.
- As per yesterday's provisional data available on the NSE, Foreign institutional investors (FIIs) net bought shares worth Rs 1,234.15 crore, whereas domestic institutional investors (DIIs) net sold shares worth Rs 1,048.55 crore in the Indian equity market.

SGX Nifty: (+8, 15348)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	15315	15115	15551	14620	11868	15151-15551	Buy between 15225-15275 zone. Targets at 15551 and then aggressive targets at 15701-15751 zone with stop at 15111.
Bank Nifty	37306	36751	37751	33566	25100	36751-37751	Buy between 36201-36251 zone. Targets at 37751 and then aggressive targets at 38501-39001 zone with stop at 34701.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
JUBLFOODS	2870	2739	2988	2747	2187	Positive	Buy at CMP. Targets at 2988/3105. Stop at 2721.
APOLLO TYRES	238	232	251	220	143	Negative	Sell between 244-247 zone. Targets 232/217.50. Stop below 261.
IGL	542	513	563	544	449	Negative	Sell between 547-551 zone. Targets 531/513/501. Stop 569.

All About Option Trades:

Option Call: SELL NIFTY 25th February PE Strike Price 15000 at CMP 72. Maximum Profit: Rs. 5,400/-. Loss: Unlimited. Stop: Exit Put Option if NIFTY moves below 15205. (NIFTY February Futures CMP 15348.75).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
GRSE	199.05	153	243	190	191	Positive	Buy at CMP. Targets 243/300. Stop 153.
BIRLA CORPORATION	896.75	801	1001	771	637	Positive	Buy at CMP. Targets 1001/1121. Stop 801.
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Mehta Group

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