

# MEHTA'S MORNING BELL



Here is what You may  
be interested this morning!

## TODAY'S ECONOMIC CALENDAR

Japan:	Foreign Bonds Buying, Foreign Investments in Japanese Stocks
Singapore:	Trade Balance, Non-Oil Exports (MoM) (Nov), Non-Oil Exports (YoY) (Nov), Unemployment Rate (Q4)
Euro:	German Car Registration (MoM) (Nov), German Car Registration (YoY) (Nov), Euro: CPI (MoM) (Nov), CPI (YoY) (Nov), CPI ex Tobacco (YoY) (Nov), Core CPI (MoM) (Nov), Core CPI (YoY) (Nov), HICP ex Energy & Food (YoY) (Nov), HICP ex Energy and Food (MoM) (Nov), CPI ex Tobacco (MoM) (Nov)
Great Britain:	Car Registration (YoY) (Nov), Car Registration (MoM) (Nov), BoE Interest Rate Decision (Dec), BoE MPC vote hike (Dec), BoE QE Total (Dec), BoE MPC vote unchanged (Dec), BoE MPC vote cut (Dec)
Hong Kong:	Unemployment Rate (Nov)
USA:	Continuing Jobless Claims, Initial Jobless Claims, Jobless Claims 4-Week Avg., Philly Fed Prices Paid (Dec), Philly Fed New Orders (Dec), Philly Fed Employment (Dec), Philly Fed CAPEX Index (Dec), Philly Fed Business Conditions (Dec), Philadelphia Fed Manufacturing Index (Dec), Housing Starts (Nov), Housing Starts (MoM) (Nov), Building Permits (MoM) (Nov), Building Permits (Nov), Natural Gas Storage, KC Fed Composite Index (Dec), KC Fed Manufacturing Index (Dec), 4-Week Bill Auction, 8-Week Bill Auction

**Good Morning & Welcome to Thursday's trading action at Dalal Street dated 17th December 2020.**

**The numbers are in and the verdict is out.**

**First the numbers:** The policy-setting Federal Open Market Committee (FOMC) signaled it plans to keep a key U.S. short-term interest rate near zero for at least the next three years, while indicating it will continue buying bonds at the current \$120 billion a month pace until inflation runs above its 2% target.

The path of the economy will depend significantly on the course of the virus," the Fed said. "The ongoing public health crisis will continue to weigh on economic activity, employment, and inflation in the near term, and poses considerable risks to the economic outlook over the medium term."

**The Verdict:** Despite, Fed's accommodative stand — U.S. equities were unmoved, with the Dow Jones Industrial Average falling 45 points, while the S&P 500 ended above the dotted lines and the Nasdaq Composite had another record close.

**Bottom-line:** Volatility likely in near term as the fiscal-stimulus bill looks increasingly likely to pass soon, but the Federal Reserve is clearly unable to add much more economic and market support than it already has.

Our **call of the day** suggests Dalal Street to maintain calm as the benchmarks will try for 'Fresh New Highs'

Our **chart of the day** is bullish on stocks like: LUPIN, INFOSYS, BHARTI AIRTEL, VA TECH WABAG, and VGUARD.

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

- Finance Minister Nirmala Sitharaman has said that the Union Budget for 2021-22 would have emphasis on sustaining high public expenditure on infrastructure to revive the economy which contracted in the first two quarters of the current financial year.
- SIP inflows hit 31-month low at Rs 7,302-cr in Nov
- Liquidity on backdrop of the FIIs inflows continues to be the biggest positive catalysts for our stock markets. As per Wednesday's provisional data available on the NSE, FII's bought shares worth Rs. 1981.77 cores in the Indian Equity Market. So far in December, FIIs net bought Rs. 33,657.90 crore worth of Indian equities.
- Technically, the biggest make-or break support on Nifty seen at 13447 mark. Intraday support seen at 13447 mark. Technically speaking, chase the buying momentum as long as Nifty stays above 13447 mark. Immediate targets and then aggressive targets located at 14001 mark.
- The options data for 31st December Series suggests Nifty is likely to be in a higher trading range as maximum Call OI is at 13000. This is followed by 13500 Strike Price. Maximum Put open interest stands at 13000 levels. Call writing was seen at 14200 and then at 14100 strike price, while there was meaningful Put writing at 13500. Well, the said data indicates a higher trading range between 13500 and 14000 levels.

## SGX Nifty: (-13, 13673)

### All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	13683	13597	13751	13187	10838	13597-13751	Buy between 13597-13625 zone. Targets at 13751 and then aggressive targets at 13911-14101 zone with stop at 13421.
Bank Nifty	30698	30001	30911	29876	22877	30301-30975	Buy at CMP. Targets at 30911 /32613. Stop at 30101.

### All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BHEL	36.35	35	45	33	31	Positive	Buy at CMP. Targets 39/51. Stop 33.05.
BHARTIARTL	516	493	529	488	506	Positive	Buy at CMP. Targets 529/613. Stop 489.
INFY	1166	1145	1181	1137	873	Positive	Buy at CMP. Targets 1181/1211. Stop 1123.

### All About Option Trades:

**Option Trade:** BUY BANKNIFTY 24th DECEMBER CE Strike Price 31000 at CMP 323.60. Profit: Unlimited. Maximum Loss: Rs. 8,090/-. Stop: Exit Call Option if Bank Nifty moves below 29881. (Bank Nifty December Futures CMP 30743).

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

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
NUCLEUS SOFTWARE	598.05	531	703	563	392	Positive	Buy at CMP. Targets 703/827. Stop 531.
NIPPON LIFE AMC	311.45	267	361	297	277	Positive	Buy at CMP. Targets 361/501. Stop 257.
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## Mehta Group

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