

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

Economic Calendar:

USA:	FOMC Meeting Minutes, API Weekly Crude Oil Stock, Housing Starts (MoM) (Jan), Import Price Index (YoY), Export Price Index (YoY), Initial Jobless Claims, Jobless Claims 4-Week Avg., Continuing Jobless Claims, Philly Fed CAPEX Index (Feb), Philly Fed Employment (Feb), Philly Fed Prices Paid (Feb), Export Price Index (MoM) (Jan), Import Price Index (MoM) (Jan), Building Permits (Jan), Housing Starts (Jan), Building Permits (MoM) (Jan), Philadelphia Fed Manufacturing Index (Feb), Philly Fed Business Conditions (Feb), Philly Fed New Orders (Feb), Natural Gas Storage, Gasoline Inventories, EIA Weekly Refinery Utilization Rates (WoW), Heating Oil Stockpiles, Gasoline Production, EIA Weekly Distillates Stocks, Distillate Fuel Production, Cushing Crude Oil Inventories, Crude Oil Imports, Crude Oil Inventories, EIA Refinery Crude Runs (WoW), 4-Week Bill, 8-Week Bill Auction, 30-Year TIPS Auction.
Hong Kong:	Unemployment Rate (Jan)
Euro:	ECB Publishes Account of Monetary Policy Meeting.

Good Morning & Welcome to Thursday's trading session at Dalal Street dated 18th February 2021.

The stock market suddenly looks treacherous again!

Well, judging by yesterday's action and extremely negative close at Dalal Street — it is most likely that bears will aim for their first major win of 2021. That brings us to our call of the day which suggest 'Bears are likely to tighten grip'.

Investors across globe will continue to monitor U.S. Treasury yields. The yield on the 10-year Treasury rose to a 52-week high of 1.326% as investors continued to dump bonds amid signs of creeping inflation and the Federal Reserve's commitment to keeping short-term lending rates anchored near zero.

So, the biggest negative catalyst from here on could be the higher bond yields which could spoil the party at global stock markets — especially emerging stock markets like India.

Any indication of rising U.S. interest rates can be bad news for India as capital flees to U.S quite likely in search of improving returns. The yield on the 10-year Treasury bond was holding at a one-year high of just under 1.30%.

Technically speaking, the benchmark Nifty remains vulnerable to slide further. Risk-off sentiments will prevail as long as Nifty is unable to move above the 15551 mark. Immediate downside risk at 14957 and then aggressive targets at 14731 mark.

Also, profit booking likely to be the preferred theme amidst overbought technical conditions as Nifty is still up a whopping 102% — from March lows of 7500.

The options data for February Series suggests Nifty is likely to be in a broader trading range of 14500-15500 as maximum Call OI is at 16000 followed by 15500 strike price. Maximum Put open interest stands at 15000 levels followed by 14500 levels. Call writing was seen at 15200 and then at 15300 strike price, while there was meaningful Put writing at 15200. Banknifty max call at 37000 sp while max put at 37000 sp.

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

- As per yesterday's provisional data available on the NSE, Foreign institutional investors (FIIs) net bought shares worth Rs 1,008.20 crore, whereas domestic institutional investors (DIIs) net sold shares worth Rs 1,283.38 crore in the Indian equity market.
- President Joe Biden and Democrats in Congress have continued their push for a potential \$1.9 trillion relief package. Legislation that would include direct payments of \$1,400 to Americans - a key part of Biden's stimulus plan - and tax credits was advanced by the House Ways and Means Committee.
- 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:** AMBUJA CEMENTS
- Bharti Airtel to acquire 20% stake in Bharti Telemedia from Lion Meadow Investment Ltd, a Warburg Pincus entity.
- NALCO's open its share buyback worth Rs 749.1 crore on February 25 and close on March 10.

SGX Nifty: (+38, 15234)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	15209	14957	15379	14706	11928	14957-15357	Sell between 15275-15301 zone. Targets at 14977 and then aggressive targets at 14721 mark with stop at 15457.
Bank Nifty	36911	36651	37451	34040	25275	36651-37451	Sell at CMP. Targets at 36277 and then aggressive targets at 34657-35001 zone with stop at 37901.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BRITANNA	3364	3269	3481	3516	3596	Negative	Sell 3405-3415 zone. Targets at 3311/3269. Stop at 3539.
EICHER MOTORS	2696	2614	2741	2859	2204	Negative	Sell between 2715-2725 zone. Targets 2611/2501. Stop below 2821.
L&T	1548	1497	1575	1466	1049	Negative	Sell between 1557-1563 zone. Targets 1516/1497/1427.50. Stop 1597.

All About Option Trades:

Option Call: SELL NIFTY 25th February CE Strike Price 15200 at CMP 157.30. Maximum Profit: Rs. 11,797.50/-. Loss: Unlimited. Stop: Exit Call Option if NIFTY moves above 15355. (NIFTY February Futures CMP 15190.55).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
GRSE	204.70	153	243	191	192	Positive	Buy at CMP. Targets 243/300. Stop 153.

Mehta Group

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