

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

Economic Calendar:

Japan:	CPI, n.s.a (MoM) (Jan), National Core CPI (YoY) (Jan), National CPI (YoY) (Jan), Services PMI (Feb), Manufacturing PMI (Feb)
Great Britain:	GfK Consumer Confidence (Feb), Public Sector Net Borrowing (Jan), Public Sector Net Cash Requirement (Jan), Retail Sales (MoM) (Jan), Core Retail Sales (YoY) (Jan), Core Retail Sales (MoM) (Jan), Retail Sales (YoY) (Jan), Manufacturing PMI, Services PMI, Composite PMI, CBI Industrial Trends Orders (Feb).
Euro: German	PPI (YoY) (Jan), German PPI (MoM) (Jan), German Services PMI (Feb), German Manufacturing PMI (Feb), German Composite PMI (Feb), Current Account n.s.a. (Dec), Services PMI (Feb), Markit Composite PMI (Feb), Current Account (Dec), Manufacturing PMI (Feb)
USA:	Manufacturing PMI (Feb), Services PMI (Feb), Markit Composite PMI (Feb), Fed Monetary Policy Report, Existing Home Sales (Jan), Existing Home Sales (MoM) (Jan), U.S. Baker Hughes Oil Rig Count, U.S. Baker Hughes Total Rig Count.

Good Morning & Welcome to Friday's trading session at Dalal Street dated 19th February 2021.

When we were children, flying a kite was almost a religion to us. We are sure, most of us used to thoroughly enjoy flying the new kite.

It is every Child's wish that his kites should go higher and higher. And like every other kid, we used to also feel depressed when our colorful kite used to get stuck in trees or on a wire.

The optimism kite, which was flying high on our markets till last week's trading probably now seems to have got stuck in a tree.

Kati Patang..?

True, like a kite stuck in a tree, our markets too cannot fly again, unless the benchmark Nifty pulls out a rabbit from its hat. Looks like to move above 15437, we will have to have some strong positive catalyst.

SGX Nifty at the time of publish is in red, signaling a weak cautious/nervous start.

The negative catalyst: Optimism surrounding the global economy is tempered by a rise in bond yields that makes equities look less attractive by comparison.

Investors across the globe will continue to monitor U.S. Treasury yields, which are hovering at the highest level in a year. 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.

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

Technically speaking, negative bias to continue on Nifty which takes the benchmark above its all-time-high at 15432. Above 15432, sky is the limit.

Yep, limitless open skies above 15432.

Long story short: Immediate downside risk on Nifty seen at 14957 and then aggressive targets at 14731 mark. Buying advised only above 15432.

Our **chart of the day** is bearish on RIL, BHARAT FORGE & LARSEN with interweek perspective.

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 16000 and then at 15300 strike price, while there was meaningful Put writing at 15100.

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

- As per the monthly traffic data released by the aviation regulator, DGCA —India's domestic air passenger traffic declined around 40% to 7.7 million in January 2021 over the year-ago period as the pandemic continues to hit air travel demand.
- Ambuja Cement reported higher profit at Rs 497.1 crore for Q4CY20 against Rs 454.9 crore in Q4CY19, while revenue increased to Rs 3,515.1 crore from Rs 3,135.9 crore YoY.
- NALCO's open its share buyback worth Rs 749.1 crore on February 25 and close on March 10.
- Stock banned in F&O segment:** BHEL, VODAFONE IDEA, CANARA BANK AND SAIL

SGX Nifty: (+7, 15122)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	15119	14957	15257	14735	11958	14857-15257	Sell at CMP. Targets at 14977 and then aggressive targets at 14671 mark with stop at 15457.
Bank Nifty	36587	36115	36901	34238	25360	36115-36901	Sell at CMP. Targets at 35428/34647 and then aggressive targets at 32751-33001 zone with stop at 37901.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
ASHOKLEY	129.45	119	133	127	77	Negative	Sell at CMP. Targets at 126/119/107.50. Stop at 140.05.
EICHER MOTORS	2650	2614	2741	2848	2210	Negative	Sell between 2715-2725 zone. Targets 2611/2501. Stop below 2821.
L&T	1525	1497	1575	1474	1052	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 15100 at CMP 135. Maximum Profit: Rs. 10,125/-. Loss: Unlimited. Stop: Exit Call Option if NIFTY moves above 15251. (NIFTY February Futures CMP 15118.85).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
GRSE	203.30	153	243	191	192	Positive	Buy at CMP. Targets 243/300. Stop 153.

Mehta Group

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