

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

Economic Calendar:

Japan:	CPI, n.s.a (MoM) (Jun), National Core CPI (YoY) (Jun), National CPI (YoY) (Jun), BoJ Core CPI (YoY), National CPI (MoM)
China:	PBoC Loan Prime Rate
Euro:	German PPI (YoY) (Jun), German PPI (MoM) (Jun), ECB Bank Lending Survey, Current Account n.s.a. (May), Current Account (May)
Hong Kong:	Unemployment Rate (Jun)
USA:	Housing Starts (MoM) (Jun), Housing Starts (Jun), Building Permits (Jun), Building Permits (MoM) (Jun), Redbook (YoY)

Good Morning Early Readers!

The warning bells are ringing louder at Dalal Street. You could blame the pessimism to:

1. Concerns about the spread of delta variant of the coronavirus.
2. Concerns of inflation.
3. Concerns that the markets are overvalued.

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

- Our **chart of the day** is bullish on stocks like INDIGO, LIC HOUSING FINANCE and CHOLAMANDALAM FINANCE.
- **SHOW ME THE MONEY:** Sell Bank Nifty (35079): Sell at CMP. Targets at 34733/33849 and then aggressive targets at 32523 mark with stop at 36201.
- Our **call of the day** which suggests that one day the market will wake up to the fact that things will never be back to normal. The theme at front pages suggests that the virus unlikely to go away despite widespread vaccinations. This could be problematic for sectors like travel which were expected to benefit the most from the reopening of the global economy. Airline stocks like INDIGO are likely to tumble on this negative backdrop of renewed travel restrictions.
- Technically speaking, immediate downside risk now remains at 15632 mark. If Nifty slips below the 15632 mark then it's safe to assume that rising inflation risks are spoiling the party at Dalal Street with targets at 15449 mark.
Only a clear breakout above the magical Nifty 16000 will be seen as bullish.
- Nifty and Sensex have scaled fresh all-time-highs in the week gone by, but the foreign institutional investors continue to be the in the sell side taking more money off the table. FIIs have sold to the tune of Rs 9,122 crore in the month of July.
- The options data for July series suggests Nifty is likely to be in a trading range of 15500-16200 as maximum Call OI is at 16000 followed by 15800 strike price. Maximum Put open interest stands at 15000 levels followed by 15500 levels. Call writing was seen at 15800 and then at 15700 strike price, while there was meaningful Put writing at 15400 and then at 15500 strike prices.
- **Q1 earnings to trickle in today:** ICICI PRU, BAJFINANCE, ASIAN PAINT.
- Dalal Street will remain shut on Wednesday on account of Bakri Id.
- **Stock banned in F&O segment:** CADILA, IBULSHSGFIN, NALCO, NMDC, PNB, SAIL, SUNTV.

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	15923	15632	15877	15783	14227	15601-15851	Sell between 15801-15825 zone. Targets at 15632/15449 mark and then at 15251 mark with strict stop at 15961.
Bank Nifty	35079	35361	35977	35200	31846	34651-35977	Sell at CMP. Targets at 34733/33849 and then aggressive targets at 32523 mark with stop at 36201.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BHEL	64	60.5	67	66	47	Negative	Sell between 65-66 zone. Targets 60.5/56. Stop 69.20.
CHOLAFIN	507	487	532	520	453	Negative	Sell at CMP. Targets 487/417.5. Stop 535.
LICHSGFIN	461	454	475	466	402	Negative	Sell between 465-467.50 zone. Targets 454/437. Stop 491.

All About Option Trades:

Option Call: SELL NIFTY 22nd JULY CE Strike Price 15700 at CMP 103.90. Maximum Profit: Rs. 7,792.5/- . Loss: Unlimited. Stop: Exit Call Option if NIFTY moves above 15821. (NIFTY JULY Futures CMP 15761).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
UNITED SPIRITS (MC DOWELL)	659.95	569	707	662	576	Positive	Buy at CMP. Targets 707/751. Stop 569.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

903 Lodha Supremus, Dr. E Moses Road, Worli Naka, Mumbai - 400 018 Board: +91-22-61507100/101 Fax: +91-22-61507102