

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, Retail Sales (YoY) (Dec)
Singapore: Unemployment Rate (Q4)
Euro: Business and Consumer Survey (Jan), Selling Price Expectations (Jan), Consumer Confidence (Jan), Consumer Inflation Expectation (Jan), Industrial Sentiment (Jan), Services Sentiment (Jan), Business Climate (Jan), German CPI (YoY) (Jan), German CPI (MoM) (Jan), German HICP (YoY) (Jan), German HICP (MoM) (Jan)
USA: Wholesale Inventories (MoM), Initial Jobless Claims, Jobless Claims 4-Week Avg., Continuing Jobless Claims, Goods Trade Balance (Dec), Retail Inventories Ex Auto (Dec), GDP Price Index (QoQ) (Q4), Real Consumer Spending (Q4), PCE Prices (Q4), GDP (QoQ) (Q4), GDP Sales (Q4), Core PCE Prices (Q4), New Home Sales (Dec), US Leading Index (MoM) (Dec), New Home Sales (MoM) (Dec), Natural Gas Storage, KC Fed Manufacturing Index (Jan), KC Fed Composite Index (Jan), 4-Week Bill Auction, 8-Week Bill Auction, 7-Year Note Auction.

Good Morning & Welcome to Thursday's trading action at Dalal Street dated 28th January 2021.

The numbers are in and the verdict is out.

First the numbers: The policy-setting Federal Open Market Committee (FOMC) signaled that it plans to keep a key U.S. short-term interest rate near zero while noting that the sectors of the economy that have already been damaged by the coronavirus pandemic are experiencing another round of pain.

So as was widely expected, the central bank left its benchmark fed funds rate near zero while indicating it will continue buying bonds at the current \$120 billion a month pace until it witnessed "substantial further progress" in employment and on its inflation goals.

Powell said, 'We have not won this yet,' signaling policy to remain ultra-easy.

The Verdict: U.S. stocks sold with losses accelerating as the Federal Reserve noted the precarious state of the economic recovery and a section of the market took it to a dovish halt. Wall Street had its worst day since October.

Bottom-line: Volatility likely in near term the Federal Reserve is clearly unable to add much more economic and market support than it already has.

Our **call of the day** suggests the ice will crack on this bull market only on any break below Nifty 13751 mark.

Our **chart of the day** is bearish on stocks like: INDIGO, M&M FINANCIAL and PAGE INDUSTRIES.

Now, if you looking to invest at Dalal Street in current volatile environment and not sure — then here are 5 stocks to buy right now for 2021 (with long term perspective):

- COROMANDEL INTERNATIONAL, BHARTI AIRTEL, BAJAJ AUTO

Long story short: Focus mostly on long term. The remaining 2-months of Financial Year 2020-2021 promises to be a challenging.

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

- Market sentiment also is being weighed down by uncertainty surrounding President Joe Biden's \$1.9 trillion coronavirus relief plan, given the Democrats' slim majority in the Senate and data showing that confirmed global cases of Covid-19 surpassed 100 million.
- Q3 Earnings to trickle in today: Maruti Suzuki, Lupin, InterGlobe Aviation, Colgate-Palmolive, Aarti Industries, AU Small Finance Bank, Bharat Electronics, Coforge, Cummins India, IRCTC, Laurus Labs, M&M Financial, Pidilite, RBL Bank, Tata Chemicals, TVS Motor.
- The options data for January Series suggests Nifty is likely to be in a broader trading range of 13500-14200 as maximum Call OI is at 14700. Maximum Put open interest stands at 13500 levels. Call writing was seen at 14100 and then at 14200 strike price, while there was meaningful Put writing at 14200.

SGX Nifty: (-122, 13853)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	13968	13751	14247	14292	11510	13751-14151	Sell between 14100-14151 zone. Targets at 13751 and then aggressive targets at 13131-13251 zone with stop at 14471.
Bank Nifty	30285	28976	31251	31770	24153	28976-30751	Sell between 30601-30751 zone. Targets at 28976 and then aggressive targets at 26369 zone with stop at 31297.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
GLENMARK	486	461	501	507	451	Negative	Sell between 489-492 zone. Targets 461/439. Stop 517.
INDIGO	1590	1559	1633	1678	1260	Negative	Sell at CMP. Targets 1559/1425. Stop 1637.
M&M FINANCIAL	172	165	183	183	132	Negative	Sell between 175-177.5 zone. Targets 165/155. Stop 184.25.

All About Option Trades:

Option Trade: BUY NIFTY 04th February PE Strike Price 13700 at CMP 114.90. Profit: Unlimited. Maximum Loss: Rs. 8,617.50/-. Stop: Exit Put Option if Nifty moves above 14251. (Nifty February Futures CMP 14021.60)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
COROMANDEL	824.20	651	901	825	739	Positive	Buy at CMP. Targets 901/1101. Stop 651
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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