

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

Good Morning Early Readers!

The positive sentiments have taken a big hit in the last 3-trading session.

Blame the negativity to valuation concerns and overbought technical conditions.

That brings us to the biggest concerns on investors' minds: Whether the boom at Dalal Street could be followed by a major bust!

Well, it's anyone's guess — but bull markets definitely don't die of old age or overbought conditions.

We suspect, **bull markets could end because of excess leverage and most importantly, overconfidence.**

Digging deeper, these bull markets could get killed only if major central banks across the globe prepare to pull back their pandemic-era stimulus. Yes, they can get killed if Federal Reserve and ECB plan to end the \$120 billion in monthly bond purchases.

Technically speaking, in the near term, the upside on Nifty is likely to be capped at 18421 mark while downside risk remains at 17877 mark.

Q2 earnings to trickle in today: RELIANCE INDUSTRIES, HDFC LIFE INSURANCE, YES BANK, CROMPTON GREAVES CONSUMER ELECTRICALS, FEDERAL BANK, GLAND PHARMA, HINDUSTAN ZINC, POLYCAB INDIA, PVR, TATA CONSUMER PRODUCTS, TATA ELXSI.

The Nifty options data for October series suggests Nifty is likely to be in a trading range of 18000-18700 zone. Maximum Call OI is at 18500 followed by 18200 strike price. So, the 18500 mark will be Nifty's crucial resistance zone. Maximum Put open interest stands at 18200 levels followed by 18000 levels. Call writing was seen at 18200 and then at 18400 strike price, while there was meaningful Put writing at 18200 and then at 18100 strike prices.

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	18178	18011	18501	17920	15655	17893-18421	Sell between 18275-18300 zone. Stop 18511. Targets 18047/17893. Aggressive targets at 17461 mark.
Bank Nifty	40030	39293	40301	38238	34870	39451-40301	Sell only below 39291. Stop 40441. Targets 39090/38901. Aggressive targets at 38011.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BATAINDIA	2053	2019	2111	1923	1596	Negative	Sell between 2070-2090 zone. Stop 2179. Targets 2019/1989. Aggressive targets at 1959.
INDIGO	2043	1981	2073	2036	1744	Negative	Sell between 2060-2075 zone. Stop 2191. Targets 1981/1877. Aggressive targets at 1821.
LUPIN	924	903	951	947	1068	Negative	Sell between 941-951 zone. Stop 987. Targets 903/885. Aggressive targets at 797.

All About Option Trades:

Option Call: SELL NIFTY 28th OCTOBER CE Strike Price 17500 at CMP 475.65. Maximum Profit: Rs. 23,782.5/-. Loss: Unlimited. Stop: Exit Call Option if NIFTY moves above 18521. (NIFTY OCTOBER Futures CMP 18240.50).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
GALAXY SURFACTANTS	3368	2991	3575	3356	2810	Positive	Buy at CMP. Stop 2991. Targets 3575/3701.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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