

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

Good Morning Early Readers!

The Street will spy with one big eye if Nifty loses its traction after shooting higher in morning action.

The positive catalysts:

1. ICICI Banks' reports spectacular Q2 — highest ever net profit and most importantly, on the asset quality front, the net NPAs are down 12% sequentially during the reporting period.
2. Reliance Industries reported consolidated net profit of Rs 13,680 crore in the Q2, up 43% from the same period last year. RIL GDRs were up 2.7 per cent at \$71.90 as on Friday's close.

The negative catalysts:

1. Spiking Oil prices.
2. **FII's relentless selling:** FIIs net sold shares worth Rs. 7353.04 crores in the week ended October 22. For the month of October, FIIs have so far sold shares worth Rs. 9869.93 crores. FIIs participation is must for the our stock to keep it buoyant.

Q2 earnings to trickle in today: HDFCAMC, INDUSTOWER, COFORGE, QUICKHEAL, RAMCOCEM, TECHM, COLPAL, CEAT.

Technically speaking, the risk is still skewed to the downside in the near term on Nifty with immediate support at 18047 and then aggressive targets at 17893 mark. Any upside for Monday's trade is likely to be capped at 18375-18421 zone. Only if the bulls successfully surpass the 18500 psychological level, Nifty could reach the 19000 mark. Please note, Nifty's 200 day EMA is still at 15675 mark.

Bank Nifty: Bank Nifty seen outperforming Nifty. Positive bias as long as Bank Nifty stay above its biggest support at 39394 mark.

The Nifty options data for October series suggests Nifty is likely to be in a trading range of 18000-19000 zone. Maximum Call OI is at 18200 followed by 18500 strike price. So, the 18500 mark will be Nifty's crucial resistance zone. Maximum Put open interest stands at 17500 levels followed by 18000 levels. Call writing was seen at 18300 and then at 18500 strike price, while there was meaningful Put writing at 17500 and then at 18000 strike prices.

Stock banned in F&O segment: AMARARAJABAT, IRCTC, L&TFH, NATIONALUM, SUNTV, TATAPOWER.

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	18115	18011	18401	17947	15676	18011-18421	Buy at CMP. Stop 17871. Targets 18221/18323. Aggressive targets at 18421 mark.
Bank Nifty	40324	39293	41001	38399	34916	39761-40756	Buy at CMP. Stop 39247. Targets 40611/41001. Aggressive targets at 41711

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
AXISBANK	817	785	907	792	736	Positive	Buy at CMP. Targets 857/869. Aggressive targets at 907.
FEDERALBANK	104	100	109	88	82	Positive	Buy at CMP. Stop 99. Targets 109/113. Aggressive targets at 127.
HDFCBANK	1681	1643	1727	1627	1509	Positive	Buy at CMP. Stop 1637. Targets 1703/1727. Aggressive targets at 1789.

All About Option Trades:

Option Call: SELL NIFTY 28th OCTOBER CE Strike Price 17900 at CMP 299. Maximum Profit: Rs. 14,950/-. Loss: Unlimited. Stop: Exit Call Option if NIFTY moves above 18375. (NIFTY OCTOBER Futures CMP 18138.85).

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BANK OF BARODA	95	73	100	86	79	Positive	Buy at CMP. Stop 73. Targets 100/121
GALAXY SURFACTANTS	3284	2991	3575	3350	2816	Positive	Buy at CMP. Stop 2991. Targets 3575/3701.
MUTHOOT FINANCE	1567	1489	1701	1523	1371	Positive	Buy at CMP. Stop 1489. Targets 1701/1821.

Mehta Group

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