

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, Services PMI (Aug), 30-Year JGB Auction |
| Hong Kong: | Manufacturing PMI (Aug) |
| China: | Chinese Composite PMI (Aug), Caixin Services PMI (Aug) |
| India: | Nikkei Services PMI (Aug) |
| Euro: | German Services PMI (Aug), German Composite PMI (Aug), Services PMI (Aug), Markit Composite PMI (Aug), Retail Sales (MoM) (Jul), Retail Sales (YoY) (Jul) |
| Great Britain: | Services PMI (Aug), Composite PMI (Aug) |
| USA: | Challenger Job Cuts (Aug), Initial Jobless Claims, Jobless Claims 4-Week Avg, Continuing Jobless Claims, Exports, Imports, Nonfarm Productivity (QoQ) (Q2), Trade Balance (Jul), Unit Labor Costs (QoQ) (Q2), Markit Composite PMI (Aug), Services PMI (Aug), ISM Non-Manufacturing PMI (Aug), ISM Non-Manufacturing Business Activity (Aug), ISM Non-Manufacturing Employment (Aug), ISM Non-Manufacturing Prices (Aug), ISM Non-Manufacturing New Orders (Aug), Natural Gas Storage, 8-Week Bill Auction, 4-Week Bill Auction |

Good Morning & Welcome to Thursday's trading action at Dalal Street dated 3rd September 2020.

Early action at SGX Nifty is suggesting that investors need to brace for an extremely volatile trading session.

Keeping stock markets volatile will be the Indian government's decision to ban PUBG and 117 other Chinese apps. Adding to the grim picture, military talks have made little progress.

Meanwhile, Finance Minister Nirmala Sitharaman will hold a review meeting with heads of banks and NBFCs on Thursday for smooth and speedy implementation of the one-time debt recast for resolution of COVID-19 related stress in bank loans.

Now, technically speaking, Nifty finds support at 11327 and then at 11227 mark. Please note, confirmation of strength on Nifty only on any close above 11627 mark.

Options data suggests Nifty is likely to be in a trading range as maximum Call OI is at 12000. This is followed by 11500 Strike Price. Maximum Put open interest stands at 11,000 levels. Call writing was seen at 12000 followed by 11800 levels, while there was meaningful Put writing at 11,200. Well, the said data indicates a higher trading range between 11,000 and 11,800 levels.

Now, before we proceed, here are other key things to know before today's market open:

- Wall Street traded higher in yesterday's trade as optimism appears to be built on hope—hope that the U.S. is edging towards the next round of government stimulus and hope for a Covid-19 vaccine.
- Oil prices declined on Wednesday as output in the Gulf of Mexico has seen a strong recovery from Hurricane Laura.
- The central government on Tuesday informed Supreme Court that loan moratorium period can be extended by two years as per the RBI's circular. Amidst this backdrop, banking stocks are likely to underperform.
- The important Q1 earnings to trickle in today: Page Industries, Jubilant Industries.
- GST collection in August at ₹86,449 crore, down 12%.
- As per Wednesday's provisional data available on the NSE, FII's bought shares worth Rs. 990.57 crores in the Indian Equity Market. DIIs on the other hand sold shares worth Rs. 657.48 crores in the Indian Equity market.

Outlook for Thursday: Volatility likely to be the hallmark of today's trade.

SGX Nifty: (-11, 11549)

All about Nifty & Bank Nifty:

| Indices | CMP | Support | Resistance | 21 DMA | 200 DMA | Range | Preferred Trade |
|------------|-------|---------|------------|--------|---------|-------------|---|
| Nifty | 11535 | 11321 | 11627 | 11367 | 10814 | 11375-11627 | Buy between 11327-11375 zone. Targets at 11627-11751 zone with stop at 11111. |
| Bank Nifty | 23874 | 23200 | 25300 | 22483 | 25048 | 23201-25300 | Buy between 22901-23101 zone. Targets at 25233/26311. Stop at 22361. |

All about stocks (F&O Trades):

| Instruments | CMP | Support | Resistance | 21 DMA | 200 DMA | Bias | Preferred Trade |
|-------------|-----|---------|------------|--------|---------|----------|--|
| JINDALSTEL | 221 | 209 | 227 | 215 | 151 | Positive | Buy between 213-215 zone. Targets 227/239. Stop 207. |
| M&M | 643 | 619 | 651 | 619 | 498 | Positive | Buy between 629-635 zone. Targets 651/707. Stop 613. |
| SBILIFE | 850 | 818 | 865 | 853 | 846 | Positive | Buy between 825-837 zone. Targets 865/893. Stop 811. |

All About Option Trades:

Option Trade: BUY NIFTY 10th SEPTEMBER CE Strike Price 11600 between 60-65 zone. Profit: Unlimited. Maximum Loss: Rs. 4,875/-. Stop: Exit Call Option if Nifty moves below 11461. (Nifty September Futures CMP 11561.50)

All about stocks (Medium Term Trades):

| Stocks | CMP | Support | Resistance | 21 DMA | 200 DMA | Bias | Preferred Trade |
|------------------|---------|---------|------------|--------|---------|----------|--|
| BHARTI AIRTEL | 551 | 537 | 613 | 535 | 513 | Positive | Buy at CMP. Targets 613/675. Stop 521. |
| RATNAMANI METALS | 1180.95 | 1041 | 1271 | 1149 | 1061 | Positive | Buy at CMP. Targets at 1271/1401. Stop 1041. |
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