

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

Great Britain:	BoE MPC vote cut (May), BoE MPC vote hike (May), BoE MPC vote unchanged (May), BoE QE Total (May), BoE Interest Rate Decision (May), Halifax House Price Index (YoY) Halifax House Price Index (MoM) (Apr)
Euro:	German Industrial Production (MoM) (Mar)
China:	FX Reserves (USD)
Singapore:	Foreign Reserves USD (MoM) (Apr)
USA:	Continuing Jobless Claims, Initial Jobless Claims, Jobless Claims 4-Week Avg, Nonfarm Productivity (QoQ) (Q1), Unit Labor Costs (QoQ) (Q1)

Good Morning & Welcome to Thursday's trading action at Dalal Street dated 7th May 2020.

Ominous opening on cards as the risk is everywhere.

In early action, SGX Nifty is seen struggling. That brings us to our **call of the day** which suggests investors' to brace for a rocky session as sentiments grapple with the implications of an economic slowdown. Please note, India's Covid-19 count crosses 50,000-mark and Mumbai records over 10,000 cases

Amidst this backdrop, the gyan mantra is — 'cash is a position'.

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

- Optimism is still the order of the day for global stock markets primarily on backdrop of easing lockdowns. But we suspect, these investors must be short sighted because the premature opening of businesses will cause a strong pandemic rebound. Not good for the economy.
- Making investment decisions continues to be a challenging task as Dalal Street continues to be surrounded with confusing visibility on backdrop of relentless cascade of COVID-19. India has recorded nearly 50,000 Covid-19 cases and the worst part is that the number is doubling every 12 days. The negative takeaway is that we are still struggling to flatten the curve — even with the lockdown.
- Technically, the storm has already made a landfall at Dalal Street. The negative takeaway is that the recent powerful downtrend has wiped out all of last week's gains. The bearish 'Island Reversal' pattern all is not well for the Nifty bulls with downside risk at 8989 mark. Bulls' life will get better only if Nifty moves above 9621 mark.
- Oil prices slip in yesterday's trade as concerns about storage capacity prevail.
- FIIs selling — the FIIs sold shares worth Rs. 493.68 crores in yesterday's trade.
- All eyes from here on will be on Friday's U.S Jobs report. The street suspects it will be the amongst the worst ever.
- Q4 corporate earning to trickle in today are: HCL TECH, SKF INDIA, CYIENT, GILLETTE, RBL Bank, 5Paisa Capital, ICICI Securities.
- Next RBI policy meeting on June 3-5.

Option data for 28th May suggests:

- Nifty's Max Call OI: 9500 (This 9500 level will act as crucial resistance in the May series).
- Nifty's Max Put OI: 9000: (This 9000 level will act as crucial support in the May series).

Outlook for Thursday: Pessimism will prevail.

SGX Nifty: (-113, 9142)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	9206	9111	9427	9091	11164	9001-9427	Sell between 9325-9351 zone. Targets at 9145/8989/8501. Stop 9671.
Bank Nifty	19695	18200	20301	19694	28206	17600-19901	Sell between 19751-20000 zone. Targets at 19011/18311/16116. Stop 22501.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
JUBILANTS FOODS	1557	1457	1591	1480	1496	Negative	Sell at CMP. Targets 1457/1335. Stop 1603.
INDIGO	937	865	989	973	1406	Negative	Sell between 955-959. Targets 865/771. Stop 1000.
PNB	29.5	25	32.5	31	57	Negative	Sell between 30-31.50 zone. Targets 25/19. Stop 33.

All About Option Trades:

Option Trade: BUY NIFTY 14th MAY PE Strike Price 9200 at CMP 184.10. Profit: Unlimited. Maximum Loss: Rs. 13,807.50/-. Stop: Exit Put Option if Nifty moves above 9389. (Nifty May Futures CMP 9280.70)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
PAGE INDUSTRIES	17090	15001	18951	17291	21054	Negative	Sell at CMP. Targets 15001/13001. Stop 19001.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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