

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

USA:	Consumer Credit (Aug), NFIB Small Business Optimism, Jobless Claims 4-Week Avg., Initial Jobless Claims, Continuing Jobless Claims, Natural Gas Storage, 30-Year TIPS Auction, 8-Week Bill Auction, Thomson Reuters IPSOS PCSI, 30-Year Bond Auction.
Great Britain:	RICS House Price Balance (Sep), BoE FPC Meeting Minutes, Labour Productivity (Q2)
Japan:	Foreign Bonds Buying, Foreign Investments in Japanese Stocks, Current Account n.s.a. (Aug), M3 Money Supply, M2 Money Stock (YoY), Bank Lending (YoY), BoJ Governor Kuroda Speaks, Economy Watchers Current Index (Sep)
China:	Caixin Services PMI (Sep)
Euro:	German Trade Balance (Aug), German Imports (MoM) (Aug), German Exports (MoM) (Aug), German Current Account Balance n.s.a (Aug)

Good Morning & Welcome to Thursday's trading action at Dalal Street dated 8th October 2020.

The good news is that Wall Street is seen in buying mode after President Donald Trump signaled he was open to a number of separate fiscal stimulus measures. The thoughts of piecemeal fiscal stimulus measures is quite positive news as Trump had called off talks with congressional Democrats on a relief package until after the November 3 election.

Honestly speaking, the mood of the market has become a conscript to Trump's tweet. Practically every day, Trump does something which either drives the market up or down. Bulls must be hoping and praying that Trump keeps this overpriced market afloat.

Bottom-line: We suspect, another stimulus package is a matter of time.

Now, before we get into detail, here are other key things to know before today's market open.

- TCS has reported a stellar set of results for the September quarter as its net profit fell 7.05% to Rs 7,475 crore compared with Rs 8,042 crore in the same quarter last year. On a sequential basis, however, the company's profit grew 6.6 per cent. TCS board also has approved a share buyback proposal amounting up to Rs 16,000 crore. The company will buy these shares at Rs 3,000 per share, a premium of 9.59% from yesterday's closing price.
- Wednesday's provisional data suggests that, FII's bought shares worth Rs. 1093.31 crores. DIIs however sold shares worth Rs. 1129.49 crores in the Indian Equity market.
- Technically speaking, bulls' will now eye to reclaim 11795 mark. Above 11795, Nifty will aim psychological 12000 mark. Nifty's intraday support seen at 11641/11397 mark. Nifty's 200 DMA at 10737 mark.
- Options data suggests Nifty is likely to be in a higher trading range as maximum Call OI is at 12000. This is followed by 12500 Strike Price. Maximum Put open interest stands at 11000 levels. Call writing was seen at 12300 followed by 12100 levels, while there was meaningful Put writing at 11700. Well, the said data indicates a higher trading range between 11500 and 12000 levels.
- Amazon India ties up with IRCTC to start online train ticket bookings. Technically, IRCTC appears attractive only above 1451.
- MPC meet to conclude on Oct 9. RBI to announce monetary policy on 9th October. We expect that the central bank will maintain status quo on the benchmark lending rates in view of hardening inflation.
- The next debate between President Donald Trump and Joe Biden is on October 15th. Trump plans to attend next week's debate.
- Our **chart of the day** suggests that 2-wheeler stocks to gain speed and traction at Dalal Street. We are quite bullish on BAJAJ AUTO, HEROMOTO CORP and TVS MOTORS with inter month perspective with aggressive targets at 3750, 3501 and 501 respectively.

Outlook for Thursday: Up again for benchmark Nifty!

SGX Nifty: (+11, 11805)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11739	11641	11795	11358	10734	11647-11847	Buy between 11651-11675 zone. Targets at 11795/12001 with stop at 11389.
Bank Nifty	22965	22201	23501	21977	23915	22301-23501	Buy between 22551-22751 zone. Targets at 23501/25251. Stop at 21917.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BATA INDIA	1375	1337	1404	1324	1426	Positive	Buy at CMP. Targets 1404/1545. Stop 1329.
HEROMOTO CORP	3234	3147	3301	3048	2427	Positive	Buy at CMP. Targets 3301/3501. Stop 3077.
TVSMOTORS	479	465	491	456	400	Positive	Buy at CMP. Targets 491/537. Stop 463.

All About Option Trades:

Option Trade: BUY NIFTY 15th OCTOBER PE Strike Price 11400 at CMP 48.50. Profit: Unlimited. Maximum Loss: Rs. 3,637.50/-. Stop: Exit Put Option if Nifty moves above 11831. (Nifty October Futures CMP 11756)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
SANOFI	8663.25	7793	9000	8517	7601	Positive	Buy at CMP. Targets 9000/9750. Stop 7793.
HCLTECH	828.05	671	901	795	600	Positive	Buy at CMP. Targets 901/1000. Stop 671.
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Mehta Group

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