

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

Great Britain: BRC Retail Sales Monitor (YoY) (Aug)

Japan: Average Cash Earnings (YoY), Household Spending (MoM) (Jul), Household Spending (YoY) (Jul), Overall wage income of employees (Jul), Overtime Pay (YoY) (Jul), Adjusted Current Account, GDP Price Index (YoY), Bank Lending (YoY) (Aug), Current Account n.s.a. (Jul), GDP External Demand (QoQ) (Q2), GDP (YoY) (Q2), GDP Private Consumption (QoQ) (Q2), GDP Capital Expenditure (QoQ) (Q2), GDP (QoQ) (Q2), Economy Watchers Current Index (Aug)

Euro: German Exports (MoM) (Jul), German Trade Balance (Jul), German Imports (MoM) (Jul), German Current Account Balance n.s.a (Jul), GDP (YoY) (Q2), Employment Overall (Q2), Employment Change (YoY) (Q2), Employment Change (QoQ) (Q2), GDP (QoQ) (Q2)

USA: NFIB Small Business Optimism (Aug), IBD/TIPP Economic Optimism, CB Employment Trends Index (Aug), 3-Month Bill Auction, 6-Month Bill Auction, 3-Year Note Auction, 52-Week Bill Auction

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

There are no major triggers this Tuesday morning as Wall Street was closed in yesterday's trade on account of Labor Day holiday. Investors will have to sit tight until Wall Street's Tuesday's trade to see if the U.S stock markets can get back on track.

Our **call of the day** which suggests that it could be a whirlwind day for benchmark Nifty. After opening higher, Nifty could trade volatile during the day and any corrective declines should be an opportunity to initiate long positions. We suspect, bulls will come roaring back on any intraday weakness in today's trade. Net-net it should be a positive trading day at Dalal Street.

Technically speaking, Nifty finds support only at 11227 mark. Nifty's major hurdles at 11587 mark. Please note, confirmation of strength only on any close above 11587 mark.

Options data suggests Nifty is likely to be in a trading range as maximum Call OI is at 11500. This is followed by 12000 Strike Price. Maximum Put open interest stands at 11,000 levels. Call writing was seen at 11300 followed by 11800 levels, while there was meaningful Put writing at 11,100. Well, the said data indicates a trading range between 11,000 and 11,600 levels.

Our chart of the day suggests that amongst stocks on the buy side, we like IRCTC and DR REDDYS LAB with interweek perspective. Dr Reddy's Laboratories launched Fulvestrant injection in the US market. On the sell side, we are bearish on BAJAJ FINANCE with an interweek perspective.

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

- Happiest Minds Technologies IPO is subscribed 2.86 times, retail book 14.6 times on Day 1.
- There are growing concerns about the possibility that the White House and Congress may not be able to agree on a new package of stimulus for consumers and businesses that have been hit hard by the Covid-19 pandemic. Without a significant new round of payments for people who are out of work, the market slide could accelerate further. Businesses may also feel less comfortable hiring people back.
- The important Q1 earnings to trickle in today: CESC, Jindal Stainless.
- As per Monday's provisional data available on the NSE, FII's sold shares worth Rs. 6.93 crores in the Indian Equity Market. DIIs on the other hand too sold shares worth Rs. 815.828 crores in the Indian Equity market.

SGX Nifty: (+31, 11412)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11334	11227	11587	11400	10806	11301-11587	Buy between 11227-11250 zone. Targets at 11469/11587/11750 zone with stop at 11111.
Bank Nifty	22945	22400	23501	22815	24892	22400-23400	Sell between 23251-23300 zone. Targets at 22651/21781. Stop at 23929.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
DR REDDYS	4420	4291	4551	4458	3571	Positive	Buy at CMP. Targets 4551/4761. Stop 4281.
BAJAJ FINANCE	3505	3471	3571	3508	3369	Negative	Sell between 3539-3551 zone. Targets 3471/3333. Stop 3649.
CHOLAMANDALAM	226	213	235	230	234	Negative	Sell between 230-233 zone. Targets 213/205. Stop 237.

All About Option Trades:

Option Trade: BUY NIFTY 10th SEPTEMBER CE Strike Price 11300 at CMP 134. Profit: Unlimited. Maximum Loss: Rs. 10,050/-. Stop: Exit Call Option if Nifty moves below 11271. (Nifty September Futures CMP 11389.95)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
RATNAMANI METALS	1162.85	1041	1271	1158	1064	Positive	Buy at CMP. Targets at 1271/1401. Stop 1041.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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