

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

China:	New Loans (Sep), Outstanding Loan Growth (YoY) (Sep), M2 Money Stock (YoY) (Sep), CPI (MoM) (Sep), CPI (YoY) (Sep), PPI (YoY) (Sep)
USA:	API Weekly Crude Oil Stock
Japan:	Foreign Bonds Buying, Foreign Investments in Japanese Stocks
India:	WPI Food (YoY) (Sep), WPI Fuel (YoY) (Sep), WPI Inflation (YoY) (Sep), WPI Manufacturing Inflation (YoY) (Sep)
Euro:	Germany Thomson Reuters IPSOS PCSI (Oct)
Great Britain:	Thomson Reuters IPSOS PCSI (Oct)
India:	Exports (USD), Imports (USD), Trade Balance

Good Morning & Welcome to Thursday's trading action at Dalal Street dated 15th October 2020.

The good news this Thursday morning is that Infosys Q2 is above street estimates as the firm reported 20.50% year-on-year (YoY) rise in net profit at Rs 4,845 crore for the quarter ended September 30. The figure stood at Rs 4,019 crore in the corresponding quarter last year. The other positive take away from INFY'S Q2 was that the firm has revised its revenue growth guidance from 0-2% to 2-3% in constant currency for the financial year 2020-21.

We have an outperformer rating on INFY. In the IT space, we still like HCL TECH on the buy side.

The Supreme Court on Wednesday adjourned its hearing on a batch of pet petitions seeking interest waiver during the loan moratorium period to 2nd November.

The most positive takeaway from yesterday's hearing was that the Solicitor General Tushar Mehta told the apex court that "banks will waive interest on interest and then will be compensated by the government and the calculation will have different modalities".

Amongst banking and financial stocks, we prefer AXIX BANK, SBI & BAJAJ FINSERV on the buy side.

Our **call of the day** suggests 'investors' will prefer to be in risk-on mode. Technically speaking, bulls' will now aim to close above the psychological 12000 mark. Above 12047, Nifty's next goalpost would be at its all-time-high at 12431 mark. Nifty's biggest support is at 11801 mark. The bullish mood on Dalal Street will erode only below the 11801 mark. Nifty's 200 DMA is at 10727 mark.

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

- Overnight at Wall Street, investors' were seen a bit gloomy and that's on backdrop of little progress on another stimulus bill to offset the negative impact of the Covid-19 crisis.
- Options data suggests Nifty is likely to be in a higher trading range as maximum Call OI is at 12500. This is followed by 12000 Strike Price. Maximum Put open interest stands at 11500 levels. Call writing was seen at 11900 followed by 12500 levels, while there was meaningful Put writing at 11700. Well, the said data indicates a higher trading range between 11700 and 12500 levels.
- Wednesday's provisional data suggests that, FII's bought shares worth Rs. 821.86 crores. DIIs however sold shares worth Rs. 1276.14 crores in the Indian Equity market.
- The positive takeaway from yesterday's trading was that Bank Nifty was up +1.59% and was seen outperforming benchmark Nifty's gains of (+0.26%).
- Q2 earning to trickle in today:** Mindtree, South Indian Bank, Cyient, Trident.
- The street will spy with one big eye for any fiscal stimulus before the start of the festive season.
- Crude-oil prices are trading with positive bias after data showed a jump in Chinese crude imports.
- Important economic events for India this Thursday 15th October: Exports (USD), Imports (USD), Trade Balance.

SGX Nifty: (+25, 11987)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11971	11791	12047	11483	10726	11921-12101	Buy between 11901-11925 zone. Targets at 12047/12431 with stop at 11787.
Bank Nifty	23875	23201	24301	22266	23652	23601-24301	Buy at CMP. Targets at 25232 /26219. Stop at 22411.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
AXISBANK	471	449	481	441	503	Positive	Buy at CMP. Targets 485/501. Stop 447.
RELIANCE INDUSTRIES	2287	2221	2309	2248	1672	Positive	Buy between 2245-2261 zone. Targets 2309/2369. Stop 2159.
SBIN	200	193	209	191	221	Positive	Buy at CMP. Targets 209/235. Stop 183.

All About Option Trades:

Option Trade: BUY NIFTY 22nd OCTOBER CE Strike Price 12100 between 100-102 zone. Profit: Unlimited. Maximum Loss: Rs. 7,650/-. Stop: Exit Call Option if Nifty moves below 11901. (Nifty October Futures CMP 11973)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
MANAPPURAM	167	129	200	160	149	Positive	Buy between 157-159 zone. Targets 200/225. Stop 125.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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