

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

USA: API Weekly Crude Oil Stock, Mortgage Refinance Index, Mortgage Market Index, MBA Purchase Index, MBA Purchase Index, MBA Mortgage Applications (WoW), MBA 30-Year Mortgage Rate, Seevol Cushing Storage Report, Gasoline Inventories, EIA Weekly Refinery Utilization Rates (WoW), Heating Oil Stockpiles, Gasoline Production, EIA Weekly Distillates Stocks, Distillate Fuel Production, Cushing Crude Oil Inventories, Crude Oil Imports, EIA Refinery Crude Runs (WoW), Crude Oil Inventories, 20-Year Bond Auction, Beige Book.

Great Britain: PPI Input (MoM) (Sep), PPI Output (MoM) (Sep), PPI Output (YoY) (Sep), RPI (MoM) (Sep), RPI (YoY) (Sep), Public Sector Net Borrowing (Sep), Public Sector Net Cash Requirement (Sep), CPI, n.s.a (Sep), PPI Input (YoY) (Sep), CPI (YoY) (Sep), Core CPI (YoY) (Sep), Core CPI MoM (MoM) (Sep), Core PPI Output (MoM) (Sep), Core PPI Output (YoY) (Sep), Core RPI (YoY) (Sep), Core RPI (MoM) (Sep), CPI (MoM) (Sep), House Price Index (YoY)

Good Morning & Welcome to Wednesday's trading action at Dalal Street dated 21st October 2020.

Judging by early action at SGX Nifty, it appears that the benchmark Nifty will aim to reclaim the psychological 12000 mark.

Well, if Nifty powers higher above the psychological 12000 mark, then we expect — it will be all roses for our stock markets.

That brings us to the big question: Will this mark further resurgence in buying at Dalal Street, which takes Nifty to fresh-all time-highs at 12431??

Our **call of the day** says, if one makes it to age 50 (golden jubilee), they have a big chance of making it to the age 60 (diamond jubilee) ...

Digging deeper, the benchmark indices were clearly on a holding pattern in yesterday's trade, and now remain within striking distance of the psychologically-important milestone level of 12000 mark (All time high on Nifty is at 12431). Honestly speaking — there may be some more fireworks as the crowd is still in disbelief. It's simple, as long as investors remain in doubt, the markets will tend to move higher.

The message from our research desk is loud and clear: there is a wonderful chance for our benchmark indices to keep on advancing. Stay Long and buy on any corrective declines as technical charts point to New Highs...

Long story short: Above 12000 Nifty, the Goal Post is 12431. Long live the bull.

Our **chart of the day** suggests that investors' seen enthusiastic about stocks. **It is a 'Green Light' to buy Manappuram Finance, Indusind Bank and SRF with interweek perspective.**

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

- Keeping momentum alive would be finance minister Nirmala Sitharaman's statement that the government hasn't closed option of one more stimulus to perk up demand.
- We expect Bank Nifty to be a star outperformer. Bank Nifty is likely to hit the psychological 26000 mark with interweek perspective.
- Q2 earnings to trickle in today: Bajaj Finance, Bajaj Finserv, UltraTech Cement, Chennai Petroleum, Colgate-Palmolive, Syngene International, GMM Pfadler, KPIT Technologies and Tejas Networks.
- Options data for 29th October Series 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 11000 levels. Call writing was seen at 12000 followed by 11800 levels, while there was meaningful Put writing at 11900. Well, the said data indicates a higher trading range between 11700 and 12200 levels.
- Tuesday's provisional data suggests that FIIs net bought shares worth Rs 1,585.07 crore, whereas DIIs net sold shares worth Rs 1,633.23 crore in the Indian equity market.

Outlook for Wednesday: Positive session on cards.

SGX Nifty: (+15, 11923)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11897	11801	12047	11534	10718	11821-12001	Buy at CMP. Targets at 12049 /12431 mark with stop at 11711.
Bank Nifty	24312	23754	25232	22542	23483	23901-25232	Buy at CMP. Targets at 25232 /26269. Stop at 23489.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BALKRISHNA INDUSTRIES	1382	1341	1411	1399	1152	Positive	Buy between 1360-1370 zone. Targets 1411/1449. Stop 1339.
INDUSIND BANK	625	607	641	583	683	Positive	Buy at CMP. Targets 641/711. Stop 603.
SRF	4485	4375	4551	4321	3774	Positive	Buy between 4425-4450 zone. Targets 4551/5001. Stop 4297.

All About Option Trades:

Option Trade: BUY NIFTY 29th OCTOBER CE Strike Price 12000 at CMP 58. Profit: Unlimited. Maximum Loss: Rs. 4,350/-. Stop: Exit Call Option if Nifty moves above 11691. (Nifty October Futures CMP 11895.30)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BALRAMPUR CHINI	162.75	121	201	153	136	Positive	Buy at CMP. Targets 201/251. Stop 121.
MANAPPURAM	164.95	129	200	160	149	Positive	Buy at CMP. Targets 200/225. Stop 125.
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Mehta Group

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