

# MEHTA'S MORNING BELL



Here is what You may  
be interested this morning!

## TODAY'S ECONOMIC CALENDAR

Great Britain:	GfK Consumer Confidence (Oct), Retail Sales (MoM) (Sep), Core Retail Sales (YoY) (Sep), Core Retail Sales (MoM) (Sep), Retail Sales (YoY) (Sep), Manufacturing PMI (Oct), Composite PMI (Oct), Services PMI (Oct), Steel Production (Metric Ton) (Sep)
Euro:	German Manufacturing PMI (Oct), German Services PMI (Oct), German Composite PMI (Oct), German Ifo Business Climate Index (Oct), Services PMI (Oct), Manufacturing PMI (Oct), Markit Composite PMI (Oct)
Japan:	CPI Tokyo Ex Food and Energy (MoM) (Oct), National Core CPI (YoY) (Sep), National CPI (YoY) (Sep), CPI, n.s.a (MoM) (Sep), National CPI (MoM), Manufacturing PMI (Oct), Services PMI (Oct), All Industries Activity Index (MoM)
Singapore:	URA Property Index (QoQ) (Q3), CPI (YoY) (Sep)
USA:	Presidential Debate, Services PMI (Oct), Manufacturing PMI (Oct), Markit Composite PMI (Oct), U.S. Baker Hughes Oil Rig Count, U.S. Baker Hughes Total Rig Count
India:	Bank Loan Growth, Deposit Growth, FX Reserves, USD

## Good Morning & Welcome to Friday's trading action at Dalal Street dated 23rd October 2020.

In early action, SGX Nifty is seen listless. Honestly speaking, a stagnant market is worse than a market which is full of up and down.

The two big make-or-break levels on Nifty are:

- Nifty's resistance: 12049.
- Nifty's support: 11771.

Our **call of the day** which suggests that for the bullish ship to sail — the benchmark Nifty needs to move above its biggest hurdles at 12049 mark. On the downside, expect waterfall of selling below Nifty's make-or-break support at 11771 mark.

Meanwhile, the recipe for this stagnant market conditions can be blamed to:

- Fading hopes of U.S stimulus.
- Uncertainty ahead of November 3rd U.S Presidential elections.
- Rising coronavirus cases in the U.S and in the European region.

Well, earnings and pandemic themes will continue to be replaced by 'fiscal stimulus'. Also, the street will spy with one big eye on how much progress is made in getting a vaccine. Lastly, the U.S Nov 3 Presidential elections could throw us a curveball...

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

- Foreign investor holding in Reliance Industries rises to record 27.2% in Q2.
- SBI Cards profit drops 46% to Rs 206 cr in Q2, asset quality deteriorates.
- In IPO news, Equitas Small Finance Bank was subscribed 2 times on final day, QIB portion 4 times.
- A busy Q2 earnings day: YESBANK, ICICI LOMBARD, IDBIBANK, AARTI DRUGS, ATUL, HEIDELBERG, ICICIGI, JSW STEEL, NESTLE INDIA, PERSISTENT COMPUTERS, TECH MAHINDRA.
- Thursday's provisional data suggests that FIIs net bought shares worth Rs 1118.46 crore, whereas DIIs net sold shares worth Rs 2019.87 crore in the Indian equity market.
- European stocks were in red for the past 4 trading days amidst news on the pandemic front as things continue to be alarming. Europe is still grappling with a rise in COVID-19 cases. Over the last 14 days, the Czech Republic, the Netherlands and Belgium have the highest infection rate per capita.
- The Supreme Court will now hear the interest waiver on the loan moratorium period on 2nd November.
- 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 12200 followed by 12400 levels, while there was meaningful Put writing at 12000. Well, the said data indicates a higher trading range between 11700 and 12200 levels.
- Our **chart of the day** suggests it is a '**Green Light**' to buy **MANAPPURAM FINANCE, RAMCO CEMENT and HEIDELBERG CEMENT** with interweek perspective.

## SGX Nifty: (+10, 11902)

### All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11896	11771	12049	11602	10716	11821-12049	Buy at CMP. Targets at 12049 /12431 mark with stop at 11717.
Bank Nifty	24484	24201	25232	22857	23412	24375-25232	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
BHARAT FORGE	464	439	485	455	399	Positive	Buy between 457-461 zone. Targets 485/521. Stop 437.
RAMCO CEMENT	789	781	819	757	678	Positive	Buy between 787-793 zone. Targets 819/885. Stop 763.
HDFCLIFE	561	549	576	571	552	Negative	Sell between 567-573 zone. Targets 549/525. Stop 587.

### All About Option Trades:

**Option Trade:** BUY NIFTY 29th OCTOBER PE Strike Price 11900 at CMP 116. Profit: Unlimited. Maximum Loss: Rs. 8,700/-. Stop: Exit Call Option if Nifty above 12049. (Nifty October Futures CMP 11898.85)

### All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
MANAPPURAM	166	129	200	161	149	Positive	Buy at CMP. Targets 200/225. Stop 125.

## Mehta Group

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