

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

USA:	Treasury Department Report , API Weekly Crude Oil Stock, Mortgage Refinance Index, Mortgage Market Index, MBA Purchase Index, MBA Mortgage Applications (WoW), MBA 30-Year Mortgage Rate, House Price Index (Jul), House Price Index (MoM) (Jul), House Price Index (YoY) (Jul), Seevol Cushing Storage Report, Markit Composite PMI (Sep), Services PMI (Sep), Manufacturing PMI (Sep), Fed Chair Powell Testifies, 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, Chicago Fed President Evans Speaks, 5-Year Note Auction.
Japan:	Services PMI, Manufacturing PMI (Sep), All Industries Activity Index (MoM), BoJ Governor Kuroda Speaks
Euro:	GfK German Consumer Climate (Oct), German Composite PMI (Sep), German Services PMI (Sep), German Manufacturing PMI (Sep), Markit Composite PMI (Sep), Services PMI (Sep), Manufacturing PMI (Sep)
Great Britain:	Manufacturing PMI, Services PMI, Composite PMI

Good Morning & Welcome to Wednesday's trading action at Dalal Street dated 23rd September 2020.

Judging by early action at SGX Nifty, it appears that investors at Dalal Street will have to brace for another volatile and choppy session.

That brings us to our **call of the day** which suggests a seesaw price action quite likely. Stocks could waffle in today's trade after Nifty had a wild ride to start the week. That's quite obvious amidst;

1. September F&O expiry this Thursday, 24th September 2020.
2. Worst drubbing at Wall Street in three months. In this September month, the Dow and the S&P 500 have fallen 4.8% and 6.2% respectively, while the Nasdaq has dropped 8.2%.
3. Several European countries including France, Spain and the U.K. are grappling with rising coronavirus numbers.
4. U.S. coronavirus fiscal stimulus becoming bleaker.

Technically speaking, Nifty's support is now seen at the 11000-11077 zone. Digging deeper, a lot of the short-term indicators are starting to get oversold. Hence, we suspect Nifty could attempt a dead-cat bounce to 11355-11523 zone. Please note, Bulls' will now get conviction of strength only above 11523. Until Nifty is able to clear the 11523 hurdles — it would be a frustrating day for the bulls' camp.

Meanwhile, options data suggests Nifty is likely to be in a trading range as maximum Call open interest is at 11500. This is followed by 11600 Strike Price. Maximum Put open interest stands at 11000 levels. Call writing was seen at 11200 followed by 11300 levels, while there was meaningful Put writing at 11,100. Well, the said data indicates a trading range between 11,000 and 11,500 levels.

Our **chart of the day** suggests that aggressive traders can look to sell INDIGO on any excessive strength with an interweek perspective.

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

- Bank Nifty continued to underperform in yesterday's trade as well after a report said almost all Indian banks were involved in a number of suspicious transactions between 2010 and 2017.
- Public sector banks were further pressured by RBI's statement that said these banks reported frauds worth over Rs 19,964 crore in total 2,867 cases during the April-June quarter of the ongoing fiscal year.
- Tuesday's provisional data suggests that, FII's sold shares worth Rs. 2072.76 crores. DIIs however bought shares worth Rs. 878.91 crores in the Indian Equity market.

Outlook for Wednesday: Dead cat bounce quite likely!

SGX Nifty: (-4, 11157)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11154	11077	11357	11445	10771	11001-11357	Sell between 11251-11290 zone. Targets at 11081/10881 with stop at 11535.
Bank Nifty	21140	20751	21951	22834	24367	20751-21575	Sell between 21551-21751 zone. Targets at 20901/19577. Stop at 22319.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
DIVISLABS	3236	3176	3389	3214	2320	Positive	Buy between 3189-3205. Targets 3389/3505. Stop 3101.
SRF	4127	4005	4475	4223	3688	Positive	Buy at CMP. Targets 4475/5001. Stop 3971.
INDIGO	1234	1207	1297	1254	1149	Negative	Sell between 1267-1275 zone. Targets 1207/1147. Stop 1307.

All About Option Trades:

Option Trade: BUY NIFTY 01st OCTOBER CE Strike Price 11100 at CMP 187.50. Profit: Unlimited. Maximum Loss: Rs. 14,062.50/-. Stop: Exit Call Option if Nifty moves below 11091. (Nifty October Futures CMP 11196.90)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
NILKAMAL	1314.35	1111	1529	1295	1219	Positive	Buy at CMP. Targets 1529/1679. Stop 1111.
BHARTI AIRTEL	470.95	445	565	505	516	Positive	Buy at CMP. Targets 565/613/700. Stop 445.
-	-	-	-	-	-	-	-

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