

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

TODAY'S ECONOMIC CALENDAR

Great Britain:	GfK Consumer Confidence (Sep), Public Sector Net Cash Requirement (Aug), Public Sector Net Borrowing (Aug), CBI Distributive Trades Survey (Sep), BoE Quarterly Bulletin
Japan:	Corporate Services Price Index (CSPI) (YoY)
Singapore:	Industrial Production (MoM) (Aug), Industrial Production (YoY) (Aug), Industrial Production (YoY), Industrial Production (MoM)
Euro:	Private Sector Loans (YoY), M3 Money Supply (YoY) (Aug), Loans to Non Financial Corporations (Aug)
Hong Kong:	M3 Money Supply (Aug)
India:	FX Reserves, USD, Deposit Growth, Bank Loan Growth
USA:	Goods Orders Non Defense Ex Air (MoM) (Aug), Core Durable Goods Orders (MoM) (Aug), Durables Excluding Defense (MoM) (Aug), Durable Goods Orders (MoM) (Aug), U.S. Baker Hughes Oil Rig Count, U.S. Baker Hughes Total Rig Count

Good Morning & Welcome to Friday's trading action at Dalal Street dated 25th September 2020.

To start with, yesterday's session was dismal as investors lost Rs 3.91 lakh crore. India VIX too spiked over 12% to 24 level, reflecting nervousness anxiety and fear at Dalal Street. The pessimism was such that there was absolutely no place to run and no place to hide.

The big question: Does it make sense to keep powder dry?

Well, usually — When markets are rising in greed mode, it ignores the fear - when it's falling in fear mode, greed gets forgotten.

That brings us to our **call of the day** which suggests Nifty to flip in and out of positive territory in today's trade.

The only positive catalyst for the day is the encouraging statement from U.S Treasury Secretary Steven Mnuchin who said he plans to resume fiscal stimulus talks with House Speaker Nancy Pelosi.

After these comments, the Dow Jones index finished up 52 points, or 0.2%, to 26,815, the S&P 500 was up 0.3% and the tech-heavy Nasdaq rose 0.37%.

Nifty's major support now seen at its 200DMA at 10767 mark. If Nifty closes below 10767 mark then the market selloff could be brutal. The price action for Nifty is suggesting that we are likely to see a 10,611- 11,315 range in near term.

Digging deeper, the benchmark Nifty is likely to struggle to find strong footing on the upside as sentiment remains depressed as the street suspects that the economic recovery could stall. A raft of uncertainties lies ahead:

1. Market participants have long feared that a lack of fresh U.S stimulus would derail an economic rebound.
2. Rising COVID-19 cases. Fresh lockdown fears.
3. November 3 US Presidential elections.
4. Investors are seen acknowledging the fact of massive disconnect between the real economy and the Indian stock market.

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

- Technically speaking, Nifty's support is now seen at the 10601-10621 zone. Nifty's 200 DMA at 10761 mark. Please note, Bulls' will now get conviction of strength only above Nifty 11397 mark. Intraday hurdles at 11151 mark.
- Meanwhile, options data suggests maximum Call open interest is at 11000. This is followed by 11200 Strike Price. Maximum Put open interest stands at 11000 levels. Call writing was seen at 11000 followed by 10900 levels, while there was meaningful Put writing at 10800 and then at 10600. Well, the said data indicates a trading range between 10600 and 11,200 levels.
- Thursday's provisional data suggests that, FII's sold shares worth Rs. 1885.69 crores. DIIs however bought shares worth Rs. 188.64 crores in the Indian Equity market.

Outlook for Friday: Sentiments will swing every hour!

SGX Nifty: (+92, 10937)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	10806	10761	11105	11393	10761	10701-11007	Buy between 10700-10750 zone. Targets at 10971/11105 /11315 with stop at 10587.
Bank Nifty	20457	19900	21101	22602	24262	19900-21101	Sell between 21101-21257 zone. Targets at 19577. Stop at 22319.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BALKRISHNA INDUSTRIES	1306	1281	1357	1327	1113	Negative	Sell between 1230-1243 zone. Targets 1281/1237. Stop 1281.
HAVELLS	664	637	688	653	589	Negative	Sell between 673-677 zone. Targets 657/637. Stop 701.
UPL	505	497	519	513	469	Negative	Sell between 515-519 zone. Targets 497/469. Stop 537.

All About Option Trades:

Option Trade: BUY NIFTY 01st OCTOBER CE Strike Price 11000 at CMP 67.45. Profit: Unlimited. Maximum Loss: Rs. 5,058.75/-. Stop: Exit Call Option if Nifty moves below 10767. (Nifty October Futures CMP 10840)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
AMRUTANJAN	420.20	349	555	448	414	Positive	Buy at CMP. Targets 555/750. Stop 349.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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