

# MEHTA'S MORNING BELL



Here is what You may  
be interested this morning!

## TODAY'S ECONOMIC CALENDAR

Japan: Coincident Indicator (MoM), Leading Index

USA: Dallas Fed Mfg Business Index (Sep), 3-Month Bill Auction, 6-Month Bill Auction

## Good Morning & Welcome to Monday's trading action at Dalal Street dated 28th September 2020.

The positive takeaway for this Monday's trading session is that bulls will look to take the positive baton from Friday's strong finish.

Helping sentiments on the upside are Wall Streets' strong positive finish in Friday's trade, as the Dow Jones closed 358.52 points higher, or 1.3%, at 27,174. The S&P 500 climbed 1.6% and the Nasdaq Composite popped up 2.26%.

Going forward, we suspect, bulls will panic only if there are negative headlines on the following two catalysts lined up this week:

1. Much depends if the U.S. stimulus bill is passed ahead of the November 3 presidential elections —Next few days are quite crucial.
2. On Monday, 28th September — commanding attention would also be Supreme Courts' (SC) interim order on loan moratorium. Adverse SC verdict could heavily affect banks performance in Q2

Expect volatility to be the preferred theme and sentiments will be the name of the game based on the outcome of the above two catalysts.

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. Until Nifty is able to clear the 11397 hurdles — the action could turn out to be volatile and choppy. Intraday hurdles at 11167 mark.

Meanwhile, the 1st October options data suggests that Nifty may trade in a broad range of 10,800 – 11,300. The maximum Put open interest is placed at 10,500 strike price while maximum Call open interest is seen at 11500 and then at 12,000 strike price.

Friday 02nd October is a trading holiday at Dalal Street on account of Gandhi Jayanti.

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

- This week all anxious eyes will be on the outcome of three-day MPC's monetary policy review meeting scheduled on 1st October. The street will spy with one big eye on any rate cut announcement given the elevated inflation levels. The street will watch closely the RBI governors' commentary on macroeconomic data points.
- Meanwhile, according to media reports, the Narendra Modi government is likely to announce another round of stimulus measures ahead of the festive season. The package might include an urban jobs scheme and infrastructure initiatives.
- Friday's provisional data suggests that, FII's sold shares worth Rs. 2080.21 crores. DIIs however bought shares worth Rs. 2070.63 crores in the Indian Equity market.
- BJP's oldest ally Shiromani Akali Dal quits NDA over Modi govt's farm Bills
- The income tax department has clarified that scrip-wise details of sale and purchase of shares are required to be filled in the income tax returns for 2020-21 assessment year (AY) only by those who opted for exemption of long term capital gains tax.
- Vodafone Group Plc's victory in an arbitration tax demand of Rs 20,000 crore at the is set to boost investor sentiment. The decision is positive for Vodafone Plc and could help make the fund raising process easier.

## SGX Nifty: (+33, 11074)

### All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11050	10790	11167	11369	10757	11901-11267	Buy between 10957-10975 zone. Targets at 11157/11315 /11397 with stop at 10751.
Bank Nifty	20983	20401	21491	22477	24211	20631-21491	Buy between 20450-20650 zone. Targets at 22000/22831. Stop at 19577.

### All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BAJAJ FINANCE	3139	3033	3221	3458	3324	Positive	Buy between 3095-3110 zone. Targets 3221/3291. Stop 2989.
ESCORTS	1203	1151	1233	1192	888	Positive	Buy at CMP. Targets 1233/1293. Stop 1145.
SRF	4084	3993	4177	4196	3700	Positive	Buy at CMP. Targets 4177/4293. Stop 3987.

### All About Option Trades:

**Option Trade:** BUY NIFTY 01st OCTOBER CE Strike Price 11100 at CMP 66.80. Profit: Unlimited. Maximum Loss: Rs. 5,010/-. Stop: Exit Call Option if Nifty moves below 10921. (Nifty October Futures CMP 11031.90)

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

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
AVANTI FEEDS	493	411	621	506	486	Positive	Buy at CMP. Targets 587/621. Stop 411.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

## Mehta Group

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