

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

Japan:	GDP (QoQ), GDP (YoY), GDP Capital Expenditure (QoQ), GDP External Demand (QoQ), GDP Private Consumption (QoQ), GDP Price Index (YoY), Manufacturing PMI (Jul).
Euro:	German Retail Sales (MoM) (Jun), German Import Price Index (MoM) (Jun), German Retail Sales (YoY) (Jun), German Import Price Index (YoY) (Jun), CPI (YoY) (Jul), HICP ex Energy & Food (YoY) (Jul), CPI, n.s.a (Jul), Core CPI (YoY), GDP (QoQ), GDP (YoY)
China:	Caixin Manufacturing PMI (Jul)
India:	Nikkei Markit Manufacturing PMI (Jul)
Euro:	Manufacturing PMI (Jul)
Great Britain:	Manufacturing PMI (Jul)
Singapore:	Manufacturing PMI (Jul)
USA:	Manufacturing PMI (Jul), ISM Manufacturing Prices (Jul), ISM Manufacturing Employment (Jul), ISM Manufacturing PMI (Jul), Construction Spending (MoM) (Jun), ISM Manufacturing New Orders Index (Jul), 3-Month Bill Auction, 6-Month Bill Auction, Loan Officer Survey.

Good Morning & Welcome to Monday's trading action at Dalal Street dated 3rd August 2020.

The street will get its first chance to react to July Auto month's sales data which trickled in after our Friday's markets close. The key highlights were:

Most of the auto firms posted disappointing sales figures for the month of July in all segments barring tractors compared to year-ago primarily on backdrop of Covid-19 induced lockdowns. Having said that, Maruti's July sales were ahead of street's expectations. As per media reports, the percentage of first-time buyers and additional car buying have increased in the midst of the COVID-19 pandemic as customers prefer personal mobility over public transport.

Now, commanding attention in this week's trade would be the outcome of the Monetary Policy Committee (MPC) meeting, which is scheduled to announce its decision on August 6. The Reserve Bank of India is likely to leave repo rate unchanged in the upcoming policy review meeting.

Our **call of the day** suggests Nifty is likely to be vulnerable on any excessive strength. We say so because the benchmark finished in red in last week's trade, snapping a six-week winning streak. Nifty had ended 1.08% lower in the week gone.

Technically speaking, the biggest support on Nifty is at 11011 mark and then the next support is seen at 10813 mark. Upside hurdles seen at 11251 and then major hurdles at psychological 11500 mark.

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

- Wall Street staged a smart comeback in Friday's trade to end firmly in the green. The gains were primarily inspired by blowout earnings from tech heavyweights Apple, Amazon, Facebook and Google parent Alphabet.
- As per Friday's Provisional Data available on the NSE, FII's sold shares worth Rs. 958.64 crores in the Indian Equity Market.
- The important Q1 earnings to trickle in today: BANK OF INDIA, EXIDE.
- Comex Gold prices rallied 9.48% last month, closing at \$ 1971.20 an ounce. It was yellow metals biggest monthly gain in 8-1/2 years. Interestingly, Comex Silver outperformed Comex Gold in month of July as it closed 36.32% higher at \$24.625.
- WTI Crude Oil prices soared 2.98% last month at \$40.44 per barrel. Bias continues to be positive.

Outlook for Monday: Volatile session likely.

Our **chart of the day** suggests Pharma stocks are likely to be the big market outperformers over the next 9-12 months. Amongst Pharma Stocks, We Like Cipla, Cadila Healthcare, Divis Lab, FDC and Sun Pharma.

SGX Nifty: (-49, 11056)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11073	11011	11351	10936	10861	10970-11221	Sell between 11201-11251 zone. Targets 11011/10811 with stop at 10421.
Bank Nifty	21640	20845	22101	22191	25859	20845-22101	Sell between 22001-22251. Targets at 20845/20446/18819. Stop at 22621.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
CADILA	388.4	377.5	401	364	295	Positive	Buy between 377.5-385 zone. Targets 401/423. Stop 367.
CIPLA	720	697	753	659	520	Positive	Buy between 705-711 zone. Targets 753/801. Stop 675.
LUPIN	926.55	891	957	870	779	Positive	Buy between 903-915 zone. 957/1011. Stop 889.

All About Option Trades:

Option Trade: BUY NIFTY 06th AUGUST CE Strike Price 11200 at CMP 60.65. Profit: Unlimited. Maximum Loss: Rs. 4,548.75/-. Stop: Exit Call Option if Nifty moves below 11001. (Nifty August Futures CMP 11095.85)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
HERITAGE FOODS	311	211	425	273	301	Positive	Buy at CMP. Targets at 425/500. Stop 211.
RATNAMANI METALS & TUBES	1045	877	1133	1041	1037	Positive	Buy at CMP. Targets at 1151/1401. Stop 877.
-	-	-	-	-	-	-	-

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