

MEHTA'S MORNING BELL



Here is what You may be interested this morning!

TODAY'S ECONOMIC CALENDAR

Japan:	Overtime Pay (YoY) (Jun), Overall wage income of employees (Jun), Household Spending (YoY) (Jun), Household Spending (MoM) (Jun), Average Cash Earnings (YoY), Foreign Reserves (USD) (Jul), Coincident Indicator (MoM) (Jun), Leading Index (MoM) (Jun), Leading Index.
Euro:	German Current Account Balance n.s.a (Jun), German Imports (MoM) (Jun), German Exports (MoM) (Jun), German Trade Balance (Jun), German Industrial Production (MoM) (Jun)
Great Britain:	Halifax House Price Index (MoM) (Jul), Halifax House Price Index (YoY)
China:	Trade Balance (USD) (Jul), Imports (YoY) (Jul), Exports (YoY) (Jul)
Hong Kong:	Foreign Reserves (USD) (Jul)
Singapore:	Foreign Reserves USD (MoM) (Jul)
USA:	Average Hourly Earnings (MoM) (Jul), Private Nonfarm Payrolls (Jul), Nonfarm Payrolls (Jul), Manufacturing Payrolls (Jul), Government Payrolls (Jul), Average Weekly Hours (Jul), Unemployment Rate (Jul), Average Hourly Earnings (YoY) (YoY) (Jul), Participation Rate (Jul), U6 Unemployment Rate (Jul), Wholesale Trade Sales (MoM) (Jun), Wholesale Inventories (MoM)

Good Morning & Welcome to Friday's trading action at Dalal Street dated 7th August 2020.

Nifty was seen climbing in yesterday's trade despite the Monetary Policy Committee's (MPC) decision to keep the interest rates unchanged at 4% and maintaining an accommodative stance.

Digging deeper, there are wildly divergent opinions between bulls and bears at the moment...

On one hand, we have a pandemic-stricken economy — record unemployment, record debt accumulation, rising NPAs, record GDP contraction, valuation concerns while on the contrary — economic stimulus is seen fueling stocks up.

That brings us to our **call of the day** which suggests a bullish tone quite likely to the near term trading as yesterday's Nifty's strong closing is an indication that the rush into momentum stocks at Dalal Street is not over yet.

Sounds far-bullish fetched?

Well, the only risk to our bullish forecast is that Nifty needs to stay above the psychological 11000 mark. So, as long as Nifty stays above the 11000 mark, the immediate targets are placed at 11341 and then aggressive targets at 11501-11751 zone.

The positive trigger could be if the lawmakers come ahead with fresh stimulus for the U.S. economy.

Bottom-line: Stay long and prosper. Strict stop for aggressive leveraged long positions below Nifty 11000

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

- Options data suggests Nifty is likely to be in a trading range as maximum Call OI is at 11,500. Maximum Put open interest stands at 11,000 level. Call writing was seen at 11,700 followed by 11,600 levels, while there was meaningful Put writing at 10,800. Well, the said data indicates a higher trading range between 11,000 and 11,500 levels.
- As per Thursday's provisional data available on the NSE, FII's bought shares worth Rs. 637.43 crores in the Indian Equity Market.
- The important Q1 earnings to trickle in today: M&M, KAJARIA, CIPLA, SIEMENS, RAMCO CEMENT, REC, BEML, FDC, BATA INDIA, AMARA RAJA BATTERY, BALRAMCHIN.

Outlook for Friday: Positive bias as long as Nifty stays above 11000 mark.

SGX Nifty: (-19, 11194)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11200	11111	11341	11004	10853	11111-11351	Buy at CMP. Targets 11341/11501 with stop at 10939.
Bank Nifty	21643	21001	22151	22022	25717	20751-22201	Buy at CMP. Targets at 22151/22501/23251. Stop at 20129.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
JUBILANT FOODS	1877	1797	1972	1727	1643	Positive	Buy between 1750-1761 zone. Targets 1972/2101. Stop 1789.
SAIL	37.7	35.05	41	35	36	Positive	Buy at CMP. Targets 42.50/51. Stop 33.50.
TATAMOTORS	116.80	111	119	107	129	Positive	Buy between 112.5-115. 119/131. Stop 109.

All About Option Trades:

Option Trade: BUY NIFTY 13th AUGUST CE Strike Price 11300 at CMP 64.60. Profit: Unlimited. Maximum Loss: Rs. 4,845/-. Stop: Exit Call Option if Nifty moves below 11101. (Nifty August Futures CMP 11199.50)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
HERITAGE FOODS	314.1	221	425	282	301	Positive	Buy at CMP. Targets at 425/500. Stop 221.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

Mehta Group

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