

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

India:	CPI (YoY) (Jul)
Japan:	M3 Money Supply (Jul), M2 Money Stock (YoY)
USA:	API Weekly Crude Oil Stock, OPEC Monthly Report, MBA Mortgage Applications (WoW), MBA 30-Year Mortgage Rate, Mortgage Market Index, MBA Purchase Index, Mortgage Refinance Index, CPI (YoY) (Jul), Core CPI (YoY) (Jul), CPI (MoM) (Jul), Core CPI (MoM) (Jul), CPI Index, n.s.a. (Jul), Core CPI Index (Jul), CPI, n.s.a (MoM) (Jul), Real Earnings (MoM) (Jul), CPI Index, s.a (Jul), Seevol Cushing Storage Report, Crude Oil Inventories, EIA Refinery Crude Runs (WoW), Crude Oil Imports, Cushing Crude Oil Inventories, Distillate Fuel Production, EIA Weekly Distillates Stocks, Gasoline Production, Heating Oil Stockpiles, EIA Weekly Refinery Utilization Rates (WoW), Gasoline Inventories, Cleveland CPI (MoM) (Jul), WASDE Report, Thomson Reuters IPSOS PCSI (Aug), MBA Delinquency Rates (QoQ), 10-Year Note Auction, Federal Budget Balance (Jul).
Great Britain:	GDP (YoY) (Q2), Construction Output (MoM) (Jun), Manufacturing Production (MoM) (Jun), Manufacturing Production (YoY) (Jun), Industrial Production (YoY) (Jun), U.K. Construction Output (YoY) (Jun), Trade Balance (Jun), Trade Balance Non-EU (Jun), Industrial Production (MoM) (Jun), Business Investment (QoQ) (Q2), Business Investment (YoY) (Q2), GDP (QoQ) (Q2), GDP (MoM), Index of Services, Monthly GDP 3M/3M Change, Labour Productivity.
Euro:	Industrial Production (YoY) (Jun), Industrial Production (MoM) (Jun), German 10-Year Bund Auction

Good Morning & Welcome to Wednesday's trading action at Dalal Street dated 12th August 2020.

Our **call of the day** suggests it will be a 'Slow and Steady' day for benchmark Nifty! Expect Nifty to act like a tortoise -- slow and steady on the way to the 11500 mark.

The positive catalyst this Wednesday morning is Trump's statement that he was "looking very seriously at a capital gains tax cut and also at an income tax cut for middle-income families."

Well, honestly speaking, it appears that President Trump knows when to pull rabbits out the hat.

The other key positive catalysts on backdrop are: S&P 500 near its all-time closing high, hopes of the U.S relief bill are near, talk of Russian vaccine and most importantly, there are signs of improving coronavirus situation.

Our **chart of the day** is bullish on stocks like IRTC, GRSE & SBI with an inter-month perspective.

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

- Tensions between the U.S. and China have stepped up a notch but global stock markets are on the way up. China-U.S. trade talks planned for August 15th.
- Technically, the near term landscape continues to be positive. Nifty's make-or-break support seen at the 11159 mark with immediate targets at 10421 and then aggressive targets at 11501-11751 zone.
- 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 levels. Call writing was seen at 11,700 followed by 11,800 levels, while there was meaningful Put writing at 11,300. Well, the said data indicates a higher trading range between 11,000 and 11,700 levels.
- As per Tuesday's provisional data available on the NSE, FII's bought shares worth Rs. 1013.66 crore while DIIs sold shares worth Rs. 1415.54 crore in the Indian equity market.

Now, to the important Q1 earnings to trickle in this week:

- Wednesday: ASHOKLEY, NCC, BHARAT FORGE, TATAPOWER, AUROBINDO PHARMA PHARMA, CUMMINS.

Outlook for Wednesday: We like SBI with an inter-month perspective.

SGX Nifty: (-113, 11227)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11323	11159	11351	11071	10848	11191-11411	Buy only on dips between 11159 -11201 zone. Targets 11421/11501 -11751 zone with stop at 10991.
Bank Nifty	22227	21701	22501	21949	25606	21601-22451	Buy at CMP. Targets at 22501 /23251/24339. Stop at 20821.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
AXISBANK	448	427	461	437	568	Positive	Buy between 435-440 zone. Targets 461/485. Stop 423.
BAJAJ FINSERV	6440	6113	6570	6304	7267	Positive	Buy between 6300-6325 zone. Targets 6570/6751. Stop 6089.
ITC	203	190	209	196	208	Positive	Buy between 195-199 zone. Targets 209/223. Stop 189.

All About Option Trades:

Option Trade: BUY NIFTY 20th AUGUST CE Strike Price 11400 at CMP 156.20. Profit: Unlimited. Maximum Loss: Rs. 11,715/-. Stop: Exit Call Option if Nifty moves below 11251. (Nifty August Futures CMP 11344.35)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
ASIAN PAINTS	1789.55	1659	1911	1731	1732	Positive	Buy between 1745-1751 zone. Targets at 1911/2000. Stop 1659.
SUN PHARMA	541.05	481	600	505	445	Positive	Buy between 527-535 zone. Targets at 600/651. Stop 481.
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