

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

Great Britain: Rightmove House Price Index (MoM)

Japan: GDP Capital Expenditure (QoQ) (Q2), GDP External Demand (QoQ) (Q2), GDP Private Consumption (QoQ) (Q2), GDP (QoQ) (Q2), GDP (YoY) (Q2), GDP Price Index (YoY), Industrial Production (MoM) (Jun), Capacity Utilization (MoM) (Jun)

Singapore: Trade Balance, Non-Oil Exports (YoY) (Jul), Non-Oil Exports (MoM) (Jul)

Euro: Reserve Assets Total (Jul)

USA: NY Empire State Manufacturing Index (Aug), NAHB Housing Market Index (Aug), 3-Month Bill Auction, 6-Month Bill Auction, MBA Delinquency Rates (QoQ)

Good Morning & Welcome to Monday's trading action at Dalal Street dated 17th August 2020.

Before we start a brand new week to trading, first the recap:

Nifty fell in Friday's trade, down around 122 points while Nifty Auto index tanked hard, down 2.72%. You could blame the negativity to

- Sluggish Chinese data.
- U.K.'s move to add France and Netherland to its quarantine list.
- Stalemate in U,.S over a second coronavirus-aid plan.
- Profit booking amidst overbought technical conditions.

Long story short: The massive profit booking confirms that Nifty & Sensex have hit the pause button. **The benchmark Nifty did drift in entire last week's trade —looks like, the last five months long rally is seen taking a pause.**

Well, that's quite obvious — as any sprinter after a quick run would need to put his hands on the knee and take a deep breath.

That brings us to our **call of the day** which suggests the need of the hour is to sprinkle some vaccine news or fresh news on liquidity infusion so that the path becomes bullish and Nifty creeps up to the 11500-11750 zone.

Technically, the near term technical landscape still continues to be positive as long as Nifty holds above its make-or-break support at 11033 mark. That said, confirmation of strength only above 11375 mark. Above 11375, aggressive targets seen at 11501-11751 zone. So, aggressive traders should look to buy above 11375 mark.

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 11,100 followed by 11,300 levels, while there was meaningful Put writing at 11,100. Well, the said data indicates a higher trading range between 11,000 and 11,500 levels.

Our **chart of the day** is bearish on stocks like BAJAJ FINSERV, SHREE CEMENTS and MARUTI with an inter-week perspective. Meanwhile, amongst cash stocks, we like BALRAMPUR CHINNI & SANOFI on the buy side.

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

- All eyes on AGR dues case which is slated for hearing today.
- As per Friday's provisional data available on the NSE, FII's bought shares worth Rs. 46.39 crores in the Indian Equity Market. DIIs on the other hand sold shares worth Rs. 797.08 crores in the Indian Equity market.

Now, to the important Q1 earnings to trickle in today: BRITANNIA, PETRONET, CAN FIN HOMES.

SGX Nifty: (+77, 11255)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11178	11175	11351	11137	10845	11033-11301	Buy only on dips between 11069-11075 zone. Targets 11275/11375/11501-11751 zone with stop at 10959.
Bank Nifty	21679	21201	22101	22032	25536	21001-21991	Buy only above 22101. Targets at 23251/24339. Stop at 20797.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
CUMMINS INDIA	449	429	461	407	464	Positive	Buy between 443-445 zone. Targets 461/507.50. Stop 423.
BAJAJ FINANCE	3331	3247	3398	3312	3417	Negative	Sell between 3357-3375 zone. Targets 3257/3059. Stop 3479.
MARUTI	6588	6378	6778	6315	6243	Negative	Sell between 6625-6633 zone. Targets 6378/6258. Stop 6801.

All About Option Trades:

Option Trade: BUY NIFTY 20th AUGUST CE Strike Price 11200 at CMP 92.05. Profit: Unlimited. Maximum Loss: Rs. 6,903.75/- . Stop: Exit Call Option if Nifty moves below 11091. (Nifty August Futures CMP 11186.70)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
SANOFI	8321	7193	8751	8017	7293	Positive	Buy at CMP. Targets at 8751/9000. Stop 7193.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

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