

# MEHTA'S MORNING BELL



Here is what You may  
be interested this morning!

## TODAY'S ECONOMIC CALENDAR

Japan:	Foreign Bonds Buying, Foreign Investments in Japanese Stocks
China:	PBoC Loan Prime Rate
Euro:	German PPI (MoM) (Jul), German PPI (YoY) (Jul), Construction Output (MoM) (Jun)
Hong Kong:	CPI (YoY) (Jul)
India:	RBI MPC Meeting Minutes
USA:	Jobless Claims 4-Week Avg., Continuing Jobless Claims, Initial Jobless Claims, Philadelphia Fed Manufacturing Index (Aug), Philly Fed Employment (Aug), Philly Fed CAPEX Index (Aug), Philly Fed New Orders (Aug), Philly Fed Business Conditions (Aug), Philly Fed Prices Paid (Aug), US Leading Index (MoM) (Jul), Natural Gas Storage, 4-Week Bill Auction, 8-Week Bill Auction

At the moment, the skeptics continue to struggle to find reasons to keep pushing stocks higher. Please note that this is a market which is not rational. It can always run based on hopes and momentum. The global stock market's relative tranquility should make Nifty bulls upbeat about the chances that its corrective dips will be bought and gains will hold.

That brings us to our **call of the day** which suggests '**Another day. Another rally — Rinse and repeat**'. The key catalyst that is likely to influence optimism at our stock markets in today's trade are:

- The S&P 500 carves out a fresh high — marking a historic comeback in the face of the coronavirus pandemic. It's really nice to see Wall Street erasing all its Covid losses. Well, with chaos comes opportunity...
- The positive takeaway is that the rally is being witnessed despite stalemate over fresh U.S stimulus and most importantly, amidst rising U.S.-China tensions.
- Apple becomes the first company to reach \$2 Trillion Market Value. Interestingly, Apple is up 59% for the year to date. Apple's market capitalization had hit the \$1 trillion level for the first time two years back in August 2018.

Technically, Nifty's make-or-break intraday support now seen at 11309 while hurdles seen at 11500-11750 zone. Much of the momentum will depend on how furiously the market breadth improves and most importantly, the Bank Nifty index from hereon should start to grind higher.

Our **chart of the day** is bullish on ASIAN PAINTS, RELIANCE INDUSTRIES, JUBILANT FOODS and TVS MOTORS with an inter-week perspective. Meanwhile, amongst cash stocks, we like BALRAMPUR CHINNI, TASY BITES & SANOFI on the buy side.

## 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 11500. This is followed by 12000 Strike Price. Maximum Put open interest stands at 11,000 levels. Call writing was seen at 11800 followed by 12000 levels, while there was meaningful Put writing at 10,700. Well, the said data indicates a higher trading range between 11,000, and 11,600 levels.
- As per Wednesday's provisional data available on the NSE, FII's bought shares worth Rs. 459.01 crores in the Indian Equity Market. DIIs on the other hand sold shares worth Rs. 97.13 crores in the Indian Equity market.

**Now, to the important Q1 earnings to trickle in today:** MCDOWELL HOLDINGS, ACELYA SOLUTIONS.

## SGX Nifty: (-88, 11335)

### All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11385	11241	11501	11204	10835	11339-11501	Buy between 11325-11351 zone. Targets at 11501-11751 zone with stop at 11159.
Bank Nifty	22286	21701	22501	21992	25378	21701-23001	Buy at CMP. Targets at 22501 /23251/24339. Stop at 20197.

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

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
DLF	157.55	150	171	144	181	Positive	Buy at CMP. Targets 171/181. Stop 144.
ICICIBANK	374.45	354	385	362	426	Positive	Buy between 363-367.50 zone. Targets 385/401. Stop 351.
TVS MOTORS	434.65	417	451	411	400	Positive	Buy between 427-431 zone. Targets 451/469. Stop 413.

### All About Option Trades:

**Option Trade:** BUY NIFTY 27th AUGUST CE Strike Price 11500 at CMP 76.00. Profit: Unlimited. Maximum Loss: Rs. 5,700/-. Stop: Exit Call Option if Nifty moves below 11322. (Nifty August Futures CMP 11420.80)

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

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
SANOFI	8385	7193	8751	8102	7319	Positive	Buy at CMP. Targets at 8751/9000. Stop 7193.
TASTYBITE	12778.55	11001	13500	12156	10176	Positive	Buy between 12501-12551 zone. Targets at 13500/14200. Stop 11001.

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