

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

Singapore: CPI (YoY) (Jul)

Great Britain: Steel Production (Metric Ton) (Jul)

USA: Chicago Fed National Activity (Jul), 3-Month Bill Auction, 6-Month Bill Auction

The good news this Monday morning is that Wall Street continues to be in heaven.

The big question: What's driving the markets?

Fear of missing out and then at the moment, liquidity is truly playing a big role as FIIs have put in Rs 41,330 crore in Indian markets on net basis in August so far.

Digging deeper and honestly speaking, there is no clarity on how long this liquidity theme will continue but it makes sense to, 'make hay while the sun shines'. To put it straight, as long as the Feds keep printing money 'All will be well' and most importantly, market crash could be a thing of the past.

That brings us to our **call of the day** which suggests that the technical landscape will be bullish as long as Nifty stays above 11091 support zone. Nifty will attempt to move forward to 11501-11750 zone. We suspect there is a high probability that BANK Nifty could outperform in the near term. Please note, Indian Bank loan and deposit growth monthly data to get declared on Friday i:e 28th August 2020.

Our **chart of the day** is bullish on ASIAN PAINTS, BERGER PAINTS and FEDERAL BANK with an inter-month perspective. Meanwhile, amongst cash stocks, we like SOLAR INDUSTRIES, BALRAMPUR CHINNI, TASY BITES & SANOFI on the buy side.

Options data suggests Nifty is likely to be in a trading range as maximum Call OI is at 11500. This is followed by 11600 Strike Price. Maximum Put open interest stands at 11,000 levels. Call writing was seen at 11600 followed by 11700 levels, while there was meaningful Put writing at 11,300. Well, the said data indicates a higher trading range between 11,000, and 11,600 levels.

Now, to the important Q1 earnings to trickle in today: IRB INFRA, LIC HOUSING FINANCE, NOCIL, SUZLON ENERGY.

Before we end, preferred trade on Nifty & Bank Nifty:

Preferred trade on Nifty (11372): Buy between 11237-11261 zone. Targets at 11461/11501-11751 zone with stop at 11071.

Preferred trade on Bank Nifty (22300): Buy at CMP. Targets at 22501/23251/24339. Stop at 20197.

SGX Nifty: (+18, 11394)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11372	11245	11507	11220	10830	11289-11471	Buy between 11237-11261 zone. Targets at 11461/11501-11751 zone with stop at 11071.
Bank Nifty	22300	21801	22501	21913	25296	21901-22601	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
BHEL	40.65	38.5	45	37	36	Positive	Buy between 38.5-39.5 zone. Targets 45/52.5. Stop 37.25.
HCL TECH	706	693	728	703	568	Positive	Buy between 697-702.5. Targets 728/751. Stop 689.
ICICIBANK	371.15	354	377.50	360	425	Positive	Buy at CMP. Targets 377.50/401. Stop 351.

All About Option Trades:

Option Trade: BUY NIFTY 27th AUGUST CE Strike Price 11400 at CMP 75.35. Profit: Unlimited. Maximum Loss: Rs. 5,651.25/-. Stop: Exit Call Option if Nifty moves below 11247.20. (Nifty August Futures CMP 11377.20)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
SANOFI	8807	7991	9001	8176	7338	Positive	Buy at CMP. Targets at 9001/9500. Stop 7991.
FEDERAL BANK	55.9	62.5	75	54	66	Positive	Buy at CMP. Targets at 62.50/75. Stop 46.
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Mehta Group

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