

MEHTA'S MORNING BELL



Here is what You may
be interested this morning!

TODAY'S ECONOMIC CALENDAR

USA:	API Weekly Crude Oil Stock, Mortgage Refinance Index, MBA Purchase Index, Mortgage Market Index, MBA 30-Year Mortgage Rate, MBA Mortgage Applications (WoW), Goods Orders Non Defense Ex Air (MoM) (Jul), Durables Excluding Defense (MoM) (Jul), Core Durable Goods Orders (MoM) (Jul), Durable Goods Orders (MoM) (Jul), EIA Weekly Refinery Utilization Rates (WoW), Heating Oil Stockpiles, Gasoline Inventories, Gasoline Production, Distillate Fuel Production, Crude Oil Imports, Cushing Crude Oil Inventories, EIA Weekly Distillates Stocks, EIA Refinery Crude Runs (WoW), Crude Oil Inventories, 5-Year Note Auction
Japan:	Corporate Services Price Index (CSPI) (YoY)
Singapore:	Industrial Production (MoM) (Jul), Industrial Production (YoY) (Jul)
Japan:	Leading Index
Hong Kong:	Trade Balance, Imports (MoM) (Jul), Exports (MoM) (Jul)
Great Britain:	10-Year Treasury Gilt Auction

Early action at SGX Nifty is indicating some nervousness. Hence, our **call of the day** suggests a consolidation day likely for our stock markets.

But having said that, stock specific action will command attention in today's trade. Our **chart of the day** is bullish on Bajaj Finserv, Kotak Bank & Sanofi with interweek perspective.

The near-term technical landscape also remains positive as long Nifty holds key support at 11207 mark. However, aggressive buying advised only above 11525 mark where nifty might aim 11651-11701 zone.

Bottom-line: As long as Fed keeps printing money, the positivity likely to sustain and buying on dips should continue to be the preferred strategy.

Also, President Donald Trump signaled an aggressive stance to push COVID-19 medical treatments to return the economy closer to normalcy.

The U.S. and China reaffirmed their commitment to the phase-one trade deal in a biannual review, demonstrating a willingness to cooperate even as tensions rise over issues ranging from data security to democracy in Hong Kong.

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

- Moody's Investors Service has downgraded State Bank of India's standalone profile to ba2 from ba1 saying it sees SBI's asset quality and profitability deteriorating. The rating agency, however, affirmed SBI's long term local and foreign currency deposit ratings at Baa3, the same level as India's sovereign rating.
- Indian Bank loan and deposit growth monthly data to get declared on Friday i:e 28th August 2020.
- Volatility likely to be hallmark of this week's trade as August F&O series expire on Thursday, 27th August 2020.
- Keeping markets choppy would be statement by Reserve Bank of India's governor Shaktikanta Das who warned on Friday that, "There is so much liquidity in the system, in the global economy, that's why the stock market is very buoyant and it is definitely disconnected with the real economy."

Important Q1 earnings to trickle in today: GILLETTE, IGL.

SGX Nifty: (+2, 11482)

All about Nifty & Bank Nifty:

Indices	CMP	Support	Resistance	21 DMA	200 DMA	Range	Preferred Trade
Nifty	11472	11245	11507	11249	10825	11389-11521	Buy between 11237-11261 zone. Targets at 11461/11501-11751 zone with stop at 11071.
Bank Nifty	23092	22201	23251	21980	25221	22621-23301	Buy at CMP. Targets at 23251/24339/26311. Stop at 20711.

All about stocks (F&O Trades):

Instruments	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
BAJAJ FINSERV	6502.6	6389	6750	6310	7168	Positive	Buy at CMP. Targets 6750/6901. Stop 6389.
KOTAKBANK	1400.1	1351	1425	1352	1449	Positive	Buy between 1376-1381 zone. Targets 1425/1467.50. Stop 1327.
INFY	938.1	925	952	955	746	Negative	Sell between 941-943 zone. Targets 925/905. Stop 961.

All About Option Trades:

Option Trade: SELL NIFTY 3rd SEPTEMBER CE Strike Price 11700 at CMP 58.35. Maximum Profit: Rs. 4,376.25/-. Loss: Unlimited. Stop: Exit Call Option if Nifty moves above 11601. (Nifty September Futures CMP 11482.15)

All about stocks (Medium Term Trades):

Stocks	CMP	Support	Resistance	21 DMA	200 DMA	Bias	Preferred Trade
SANOFI	8681	7991	9001	8271	7359	Positive	Buy at CMP. Targets at 9001/9500. Stop 7991.
FEDERALBANK	56.40	52	62.50	54	66	Positive	Buy at CMP. Targets at 62.50/75. Stop 46.
-	-	-	-	-	-	-	-

Mehta Group

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