

# Go long on copper futures

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Copper prices have been largely flat over the past week. The December contract, oscillating in the ₹665-₹680 band, will have a bullish bias as long as it stays above ₹665.

We forecast a rebound from here to take the contract past a minor hurdle at ₹680. A breach of this level can quickly lift the copper futures to the ₹700-705 band.

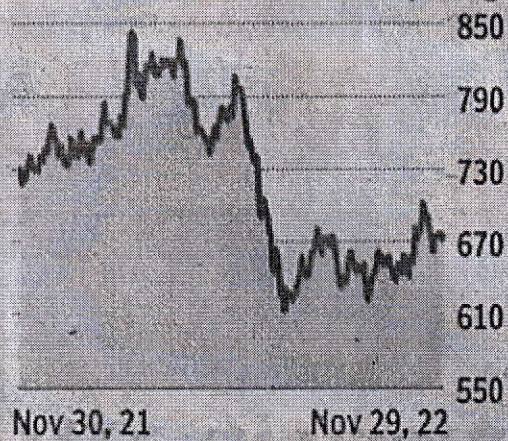
## COMMODITY CALL.

In case the support at ₹660 is breached, we will most probably witness a swift fall to ₹650 at first. The downside can be extended to ₹635.

Overall, the price action since the beginning of October shows that the contract has been forming higher lows and higher highs. On this basis, the

Return -7.4%

₹ per kg



support at ₹665 is expected to be a base against which the contract will establish the next leg of rally.

### TRADE STRATEGY

One can go long at the current level of ₹676 and add more longs when the price dips to ₹665. Place the initial stop-loss at ₹650. When the contract rallies past ₹680, tighten the stop-loss to ₹670. Exit the longs at ₹700, as there is a good chance the contract will see price moderation after rallying to this level.

Note that this is a short-term trade recommendation.