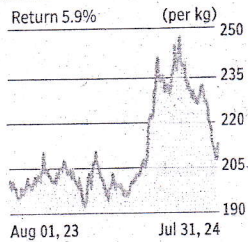
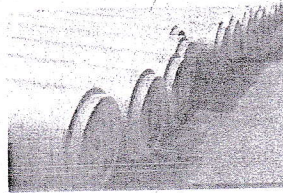


# Buy aluminium futures now at ₹212

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Aluminium futures on the Multi Commodity Exchange (MCX) has been on a decline since early June.

It marked a low of ₹206.55 early this week before recovering to the current level of ₹212.

Note that the contract has a support band of ₹206-210.

A bounce off this level gives some hope for bulls. However, there have been no strong signs yet in favour of a rally.

If the bulls gain traction and lift aluminium futures, the August contract can rise to ₹220, or possibly ₹228.

On the other hand, if bears regain strength and drag the contract below the support at ₹206, it can trigger another leg of down-trend, potentially to ₹190.

However, aluminium futures is now trading near a support, thereby making fresh short position unfavourable.

That said, for longs, the risk-reward ratio is good.

## TRADE STRATEGY

Buy aluminium futures now at ₹212. Add longs if the contract inches down to ₹208. Place stop-loss at ₹204.

Revise the stop-loss up to ₹212 when the price hits ₹220. Book profits at ₹225.