

Copper: Go short if futures slip below support at ₹775

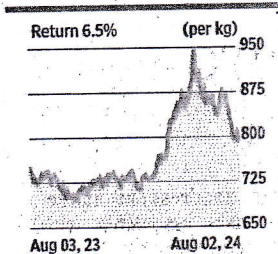
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Copper futures on the Multi Commodity Exchange (MCX) has been on a decline for over two months. Before a couple of weeks, the continuous contract of copper futures dropped below the support at ₹835, adding to the bearishness.

COMMODITY CALL

The August expiry contract, currently trading at ₹784, has a support at ₹775. Given the current momentum, this is likely to be breached. In which case, the contract can drop to ₹745, a support. Subsequent support is at ₹700.

On the other hand, if copper futures rebound from the support at ₹775, it can go up to ₹835. A breakout of this can turn the short-term view



bullish and can lift the price to ₹870.

Nevertheless, considering the prevailing price action, the likelihood for a fall is high.

But since there is a support ahead, traders can wait for it to be invalidated before taking fresh short positions.

Wait for now and short copper futures if it slips below the support at ₹775. Target and stop-loss can be at ₹745 and ₹790 respectively. After initiating the short, once the contract touches ₹760, revise the stop-loss to ₹772. Exit the trade at ₹745.

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