

Add copper futures if prices moderate to ₹885

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Copper futures (continuous contract) hit a four-month high of ₹905.90/kg on July 2 before ending the last week at ₹891.90.

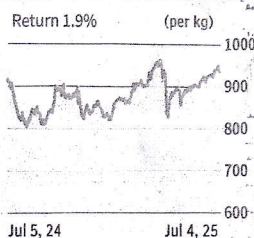
Despite the fall in price in the last two sessions, the overall bullish trend remains intact.

COMMODITY CALL.

From the current level, copper futures have support ahead at ₹885, where a trend-line coincides.

Below this is another notable support at ₹875. As long as these levels hold, the broader bias will be bullish.

We expect copper futures to resume the uptrend and rally to ₹930 in the near-term. However, in case the contract breaches support at



₹875, the outlook might turn weak. So, the price might decline to ₹862, a support.

But broadly, as it stands, the uptrend is intact and the recent dip in price is just a corrective decline.

TRADE STRATEGY

Last week, we suggested buying copper (July) at ₹892.

Retain this trade and consider adding longs if the price moderates further to ₹885. Maintain stop-loss at ₹870. When the contract rises to ₹910, tighten the stop-loss to ₹880. Book profits at ₹930.